

1.1 A bill for an act

1.2 relating to transportation; establishing a budget for transportation; appropriating

1.3 money for transportation purposes, including Department of Transportation,

1.4 Department of Public Safety, and Metropolitan Council activities; modifying

1.5 various transportation policy provisions relating to drivers' licenses, traffic safety,

1.6 speed limits, the Advisory Council on Traffic Safety, cost participation policy

1.7 development, commercial drivers' instructional permits, autonomous mower

1.8 research, electronic aircraft attestation, pedestrian citations, work zone safety

1.9 incorporated into driver's education and driver's examination, reintegration drivers'

1.10 licenses, resilient pavement and asset sustainability programming, courtesy use of

1.11 dealer plates and extension of expiration for certain temporary license plates,

1.12 driver's license agents and deputy registrars, and various project development and

1.13 design policies for the Department of Transportation State Aid for Local

1.14 Transportation Office; delaying the effective date of when a motorcycle may lane

1.15 filter and removing the authorization to split lanes; modifying various transportation

1.16 finance policy provisions; increasing the surcharge for all-electric vehicles and

1.17 instituting a surcharge for plug-in hybrid vehicles, all-electric motorcycles, and

1.18 plug-in hybrid electric vehicles; modifying electric-assisted bicycle rebate eligibility

1.19 and amount; requiring rulemaking; repealing state-aid design standards and certain

1.20 provisions related to state-aid design variances; requiring reports; making

1.21 conforming changes; amending Minnesota Statutes 2024, sections 4.076,

1.22 subdivisions 4, 5; 13.6905, subdivision 8; 16A.88, subdivision 1a; 84.92,

1.23 subdivision 8; 160.165; 161.045; 161.088, subdivision 2; 161.115, subdivision

1.24 177; 161.14, by adding subdivisions; 162.02, subdivision 3a, by adding

1.25 subdivisions; 162.09, subdivision 3a, by adding subdivisions; 162.155; 168.013,

1.26 subdivision 1m, by adding subdivisions; 168.091; 168.27, subdivision 16; 168.33,

1.27 subdivision 7; 168A.10, by adding a subdivision; 168A.11, subdivision 1; 169.011,

1.28 subdivision 36, by adding subdivisions; 169.06, subdivisions 5, 6; 169.14, by

1.29 adding subdivisions; 169.21, subdivision 3; 169.444, subdivision 2; 169A.55,

1.30 subdivision 5; 171.01, by adding a subdivision; 171.05, subdivision 1; 171.0605,

1.31 subdivision 2, by adding a subdivision; 171.061, subdivision 4; 171.0701, by

1.32 adding a subdivision; 171.0705, by adding a subdivision; 171.071, subdivision 2;

1.33 171.13, subdivisions 1, 7; 171.17, subdivision 1; 171.2405, subdivision 1; 171.301,

1.34 subdivisions 1, 5, 6; 171.306, subdivisions 1, 4, 8; 174.03, by adding subdivisions;

1.35 174.53; 174.634, subdivision 2; 174.75, subdivisions 2, 2a; 289A.51, subdivisions

1.36 1, 3, 4; 297A.94; 299A.55, subdivisions 2, 4; 360.511, by adding subdivisions;

1.37 360.55, subdivisions 4, 4a, 8, 9, by adding a subdivision; 473.129, by adding a

1.38 subdivision; 473.13, subdivisions 1, 6; 473.142; 473.1425; 473.386, subdivision

10; 473.408, by adding a subdivision; 473.412, subdivision 3; 473.4465, by adding a subdivision; Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as amended; Laws 2021, First Special Session chapter 14, article 11, section 45; Laws 2023, chapter 60, article 10, section 9; Laws 2023, chapter 68, article 1, sections 2, subdivisions 2, 3; 4, subdivision 5; article 2, section 2, subdivision 9, as amended; article 4, section 109; Laws 2024, chapter 127, article 1, sections 2, subdivision 3; 4, subdivision 3; article 3, section 61; proposing coding for new law in Minnesota Statutes, chapters 137; 160; 161; 162; 171; 174; repealing Minnesota Statutes 2024, section 473.452; Laws 2019, First Special Session chapter 3, article 2, section 34, as amended; Minnesota Rules, parts 8820.2500; 8820.3300, subparts 1, 1a, 3, 4; 8820.3400; 8820.9926, subpart 1; 8820.9936; 8820.9946; 8820.9956; 8820.9995.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1
APPROPRIATIONS

Section 1. TRANSPORTATION APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total Appropriation" and sums shown in the corresponding columns marked "Appropriations by Fund" are summary only and do not have legal effect. Unless specified otherwise, the amounts in fiscal year 2027 under "Appropriations by Fund" show the base within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "Each year" is each of fiscal years 2026 and 2027. "The biennium" is fiscal years 2026 and 2027. "C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street fund. "H.U.T.D." is the highway user tax distribution fund. "Staff" means those employees who are identified in any of the following roles for the legislative committees: committee administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan research.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

Sec. 2. DEPARTMENT OF
TRANSPORTATION

<u>Subdivision 1. Total Appropriation</u>	\$	<u>4,935,074,000</u>	\$	<u>4,041,745,000</u>
<u>Appropriations by Fund</u>				
<u>2026</u>		<u>2027</u>		

3.1	<u>General</u>	<u>40,063,000</u>	<u>39,718,000</u>
3.2	<u>Airports</u>	<u>32,218,000</u>	<u>29,218,000</u>
3.3	<u>C.S.A.H.</u>	<u>1,113,878,000</u>	<u>1,147,471,000</u>
3.4	<u>M.S.A.S.</u>	<u>282,744,000</u>	<u>289,589,000</u>
3.5	<u>Trunk Highway</u>	<u>3,466,171,000</u>	<u>2,535,749,000</u>

3.6 The appropriations in this section are to the
3.7 commissioner of transportation.

3.8 The amounts that may be spent for each
3.9 purpose are specified in the following
3.10 subdivisions.

3.11 Subd. 2. **Multimodal Systems**

3.12 (a) **Aeronautics**

3.13 (1) **Airport Development and Assistance** 24,348,000 21,348,000

3.14 This appropriation is from the state airports
3.15 fund and must be spent according to
3.16 Minnesota Statutes, section 360.305,
3.17 subdivision 4.

3.18 \$150,000 in fiscal year 2026 is for a grant to
3.19 the city of McGregor to relocate the automated
3.20 weather station at the McGregor Isedor
3.21 Iverson Airport.

3.22 Notwithstanding Minnesota Statutes, section
3.23 16A.28, subdivision 6, this appropriation is
3.24 available for five years after the year of the
3.25 appropriation. If the appropriation for either
3.26 year is insufficient, the appropriation for the
3.27 other year is available for it.

3.28 If the commissioner of transportation
3.29 determines that a balance remains in the state
3.30 airports fund following the appropriations
3.31 made in this article and that the appropriations
3.32 made are insufficient for advancing airport
3.33 development and assistance projects, an
3.34 amount necessary to advance the projects, not

4.1 to exceed the balance in the state airports fund,
4.2 is appropriated in each year to the
4.3 commissioner and must be spent according to
4.4 Minnesota Statutes, section 360.305,
4.5 subdivision 4. Within two weeks of a
4.6 determination under this contingent
4.7 appropriation, the commissioner of
4.8 transportation must notify the commissioner
4.9 of management and budget and the chairs,
4.10 ranking minority members, and staff of the
4.11 legislative committees with jurisdiction over
4.12 transportation finance concerning the funds
4.13 appropriated. Funds appropriated under this
4.14 contingent appropriation do not adjust the base
4.15 for fiscal years 2028 and 2029.

4.16 (2) Aviation Support Services 9,533,000 9,683,000

4.17 Appropriations by Fund

4.18 <u>General</u>	<u>1,843,000</u>	<u>1,993,000</u>
4.19 <u>Airports</u>	<u>7,690,000</u>	<u>7,690,000</u>

4.20 (3) Civil Air Patrol 180,000 180,000

4.21 This appropriation is from the state airports
4.22 fund for the Civil Air Patrol.

4.23 (b) Transit and Active Transportation 18,421,000 18,376,000

4.24 \$50,000 in each year is for grants to the city
4.25 of Rochester to implement demand response
4.26 transit service using electric transit vehicles.
4.27 The money is available for mobile software
4.28 application development; vehicles and
4.29 equipment, including accessible vehicles;
4.30 associated charging infrastructure; and capital
4.31 and operating costs.

4.32 \$45,000 in fiscal year 2026 is for a grant to
4.33 the city of Chatfield for the next phase of
4.34 development of a transportation management

5.1 organization in southeastern Minnesota. This
5.2 appropriation is for: (1) the development of
5.3 organizational structure, including staffing,
5.4 an oversight committee, and responsibilities
5.5 of the host organization; and (2) community
5.6 outreach and education. Up to \$1,000 of the
5.7 appropriation is for related administrative costs
5.8 for the city of Chatfield. Notwithstanding
5.9 Minnesota Statutes, section 16B.98,
5.10 subdivision 14, the commissioner must not
5.11 use any amount of this appropriation for
5.12 administrative costs. This is a onetime
5.13 appropriation and is available until June 30,
5.14 2027.

5.15 This appropriation is from the general fund.
5.16 The base is \$22,114,000 in fiscal year 2028
5.17 and \$22,113,000 in fiscal year 2029.

5.18 **(c) Safe Routes to School**

1,500,000

1,500,000

5.19 This appropriation is from the general fund
5.20 for the safe routes to school program under
5.21 Minnesota Statutes, section 174.40.

5.22 If the appropriation for either year is
5.23 insufficient, the appropriation for the other
5.24 year is available for it.

5.25 **(d) Passenger Rail**

5,943,000

5,743,000

5.26 This appropriation is from the general fund
5.27 for passenger rail activities under Minnesota
5.28 Statutes, sections 174.632 to 174.636.

5.29 \$4,754,000 in each year is for a match to
5.30 federal aid for capital and operating costs for
5.31 expanded Amtrak train service between
5.32 Minneapolis and St. Paul and Chicago.

6.1 \$200,000 in fiscal year 2026 is for a federal
6.2 match for a service development plan for the
6.3 Big Sky North Coast passenger rail corridor.

6.4 **(e) Freight** 9,215,000 9,284,000

6.5 Appropriations by Fund

6.6 General 2,403,000 2,403,000

6.7 Trunk Highway 6,812,000 6,881,000

6.8 \$1,001,000 in each year is from the general
6.9 fund for staff, operating costs, and
6.10 maintenance related to weight and safety
6.11 enforcement systems.

6.12 **Subd. 3. State Roads**

6.13 **(a) Operations and Maintenance** 441,305,000 449,274,000

6.14 \$248,000 in each year is for living snow fence
6.15 implementation and maintenance activities.

6.16 \$300,000 in each year is for rumble strips
6.17 under Minnesota Statutes, section 161.1258.

6.18 \$1,000,000 in each year is for landscaping
6.19 improvements located within trunk highway
6.20 rights-of-way, with prioritization of tree
6.21 planting as feasible.

6.22 \$105,000 in each year is for the cost of staff
6.23 time to coordinate with the Public Utilities
6.24 Commission relating to placement of high
6.25 voltage transmission lines along trunk
6.26 highways.

6.27 The base is \$455,274,000 in each of fiscal
6.28 years 2028 and 2029.

6.29 **(b) Program Planning and Delivery**

6.30 **(1) Planning and Research** 37,156,000 37,244,000

6.31 The commissioner may use any balance
6.32 remaining in this appropriation for program
6.33 delivery under clause (2).

7.1 \$150,000 in fiscal year 2026 is to conduct
7.2 autonomous mowing research and to purchase
7.3 an autonomous mower suitable for commercial
7.4 mowing operations. The mower must be
7.5 purchased from a company based in
7.6 Minnesota.

7.7 \$134,000 in fiscal year 2026 and \$135,000 in
7.8 fiscal year 2027 are for administrative costs
7.9 of the targeted group business program.

7.10 \$300,000 in each year is for grants to
7.11 metropolitan planning organizations outside
7.12 the seven-county metropolitan area.

7.13 \$900,000 in each year is for grants for
7.14 transportation studies outside the metropolitan
7.15 area to identify critical concerns, problems,
7.16 and issues. These grants are available: (i) to
7.17 regional development commissions; (ii) in
7.18 regions where no regional development
7.19 commission is functioning, to joint powers
7.20 boards established under agreement of two or
7.21 more political subdivisions in the region to
7.22 exercise the planning functions of a regional
7.23 development commission; and (iii) in regions
7.24 where no regional development commission
7.25 or joint powers board is functioning, to the
7.26 Department of Transportation district office
7.27 for that region.

7.28 (2) Program Delivery 287,588,000 288,701,000

7.29 Appropriations by Fund

7.30 General 2,000,000 2,000,000

7.31 Trunk Highway 285,588,000 286,701,000

7.32 This appropriation includes use of consultants
7.33 to support development and management of
7.34 projects.

8.1 \$2,000,000 in each year is from the general
8.2 fund for implementation of climate-related
8.3 programs as provided under the federal
8.4 Infrastructure Investment and Jobs Act, Public
8.5 Law 117-58.

8.6 \$1,003,000 in fiscal year 2026 and \$1,005,000
8.7 in fiscal year 2027 are from the trunk highway
8.8 fund for management of contaminated and
8.9 regulated material on property owned by the
8.10 Department of Transportation, including
8.11 mitigation of property conveyances, facility
8.12 acquisition or expansion, chemical release at
8.13 maintenance facilities, and spills on the trunk
8.14 highway system where there is no known
8.15 responsible party. If the appropriation for
8.16 either year is insufficient, the appropriation
8.17 for the other year is available for it.

8.18 \$2,000,000 in fiscal year 2026 is for project
8.19 readiness development activities for a
8.20 construction project that is geographically
8.21 eligible for project selection under Minnesota
8.22 Statutes, section 161.088, subdivision 4a,
8.23 paragraph (a), clause (1).

8.24 \$5,000,000 in each year is for the long-term
8.25 pavement performance program. This is a
8.26 onetime appropriation.

8.27	<u>(c) State Road Construction</u>	<u>2,227,557,000</u>	<u>1,262,157,000</u>
------	---	----------------------	----------------------

8.28 This appropriation is for the actual
8.29 construction, reconstruction, and improvement
8.30 of trunk highways, including design-build
8.31 contracts, internal department costs associated
8.32 with delivering the construction program,
8.33 consultant usage to support these activities,
8.34 and the cost of actual payments to landowners

9.1 for lands acquired for highway rights-of-way,
9.2 payment to lessees, interest subsidies, and
9.3 relocation expenses.

9.4 This appropriation includes federal highway
9.5 aid. The commissioner of transportation must
9.6 notify the chairs, ranking minority members,
9.7 and staff of the legislative committees with
9.8 jurisdiction over transportation finance of any
9.9 significant events that cause the estimates of
9.10 federal aid to change.

9.11 \$650,000,000 in fiscal year 2026 is for the
9.12 John A. Blatnik Bridge between Duluth,
9.13 Minnesota, and Superior, Wisconsin. The
9.14 commissioner may use up to 17 percent of the
9.15 amount for program delivery. This is a
9.16 onetime appropriation and is available until
9.17 June 30, 2033.

9.18 The commissioner may expend up to one-half
9.19 of one percent of the federal appropriations
9.20 under this paragraph as grants to opportunity
9.21 industrialization centers and other nonprofit
9.22 job training centers for job training programs
9.23 related to highway construction.

9.24 The commissioner may transfer up to
9.25 \$15,000,000 in each year to the transportation
9.26 revolving loan fund.

9.27 The commissioner may receive money
9.28 covering other shares of the cost of partnership
9.29 projects. These receipts are appropriated to
9.30 the commissioner for these projects.

9.31 The base is \$1,281,546,000 in each of fiscal
9.32 years 2028 and 2029.

9.33 (d) Corridors of Commerce 30,000,000 30,000,000

10.1	<u>This appropriation is for the corridors of</u>		
10.2	<u>commerce program under Minnesota Statutes,</u>		
10.3	<u>section 161.088. The commissioner may use</u>		
10.4	<u>up to 17 percent of the amount in each year</u>		
10.5	<u>for program delivery.</u>		
10.6	<u>(e) Highway Debt Service</u>	<u>300,061,000</u>	<u>322,048,000</u>
10.7	<u>\$297,061,000 in fiscal year 2026 and</u>		
10.8	<u>\$319,048,000 in fiscal year 2027 are for</u>		
10.9	<u>transfer to the state bond fund. If this</u>		
10.10	<u>appropriation is insufficient to make all</u>		
10.11	<u>transfers required in the year for which it is</u>		
10.12	<u>made, the commissioner of management and</u>		
10.13	<u>budget must transfer the deficiency amount</u>		
10.14	<u>as provided under Minnesota Statutes, section</u>		
10.15	<u>16A.641, and notify the chairs, ranking</u>		
10.16	<u>minority members, and staff of the legislative</u>		
10.17	<u>committees with jurisdiction over</u>		
10.18	<u>transportation finance and the chairs of the</u>		
10.19	<u>senate Finance Committee and the house of</u>		
10.20	<u>representatives Ways and Means Committee</u>		
10.21	<u>of the amount of the deficiency. Any excess</u>		
10.22	<u>appropriation cancels to the trunk highway</u>		
10.23	<u>fund.</u>		
10.24	<u>(f) Statewide Radio Communications</u>	<u>7,052,000</u>	<u>7,121,000</u>
10.25	<u>Appropriations by Fund</u>		
10.26	<u>General</u>	<u>3,000</u>	<u>3,000</u>
10.27	<u>Trunk Highway</u>	<u>7,049,000</u>	<u>7,118,000</u>
10.28	<u>\$3,000 in each year is from the general fund</u>		
10.29	<u>to equip and operate the Roosevelt signal</u>		
10.30	<u>tower for Lake of the Woods weather</u>		
10.31	<u>broadcasting.</u>		
10.32	<u>Subd. 4. Local Roads</u>		
10.33	<u>(a) County State-Aid Highways</u>	<u>1,113,878,000</u>	<u>1,147,471,000</u>

11.1 This appropriation is from the county state-aid
11.2 highway fund under Minnesota Statutes,
11.3 sections 161.081, 174.49, and 297A.815,
11.4 subdivision 3, and chapter 162, and is
11.5 available until June 30, 2035.

11.6 If the commissioner of transportation
11.7 determines that a balance remains in the
11.8 county state-aid highway fund following the
11.9 appropriations and transfers made in this
11.10 paragraph and that the appropriations made
11.11 are insufficient for advancing county state-aid
11.12 highway projects, an amount necessary to
11.13 advance the projects, not to exceed the balance
11.14 in the county state-aid highway fund, is
11.15 appropriated in each year to the commissioner.
11.16 Within two weeks of a determination under
11.17 this contingent appropriation, the
11.18 commissioner of transportation must notify
11.19 the commissioner of management and budget
11.20 and the chairs, ranking minority members, and
11.21 staff of the legislative committees with
11.22 jurisdiction over transportation finance
11.23 concerning funds appropriated. The governor
11.24 must identify in the next budget submission
11.25 to the legislature under Minnesota Statutes,
11.26 section 16A.11, any amount that is
11.27 appropriated under this paragraph.

11.28	<u>(b) Municipal State-Aid Streets</u>	<u>282,744,000</u>	<u>289,589,000</u>
-------	---	--------------------	--------------------

11.29 This appropriation is from the municipal
11.30 state-aid street fund under Minnesota Statutes,
11.31 chapter 162, and is available until June 30,
11.32 2035.

11.33 If the commissioner of transportation
11.34 determines that a balance remains in the
11.35 municipal state-aid street fund following the

12.1 appropriations and transfers made in this
 12.2 paragraph and that the appropriations made
 12.3 are insufficient for advancing municipal
 12.4 state-aid street projects, an amount necessary
 12.5 to advance the projects, not to exceed the
 12.6 balance in the municipal state-aid street fund,
 12.7 is appropriated in each year to the
 12.8 commissioner. Within two weeks of a
 12.9 determination under this contingent
 12.10 appropriation, the commissioner of
 12.11 transportation must notify the commissioner
 12.12 of management and budget and the chairs,
 12.13 ranking minority members, and staff of the
 12.14 legislative committees with jurisdiction over
 12.15 transportation finance concerning funds
 12.16 appropriated. The governor must identify in
 12.17 the next budget submission to the legislature
 12.18 under Minnesota Statutes, section 16A.11, any
 12.19 amount that is appropriated under this
 12.20 paragraph.

12.21 <u>(c) Other Local Roads</u>	<u>1,750,000</u>	<u>1,500,000</u>
---	------------------	------------------

12.22 This appropriation is from the general fund.

12.23 **(1) Local Transportation Disaster Support**

12.24 \$1,000,000 in each year is to provide a
 12.25 cost-share for federal assistance from the
 12.26 Federal Highway Administration for the
 12.27 emergency relief program under United States
 12.28 Code, title 23, section 125. If the appropriation
 12.29 for either year is insufficient, the appropriation
 12.30 for the other year is available for it.

12.31 **(2) Traffic Calming Infrastructure**
 12.32 **Improvements**

12.33 \$500,000 in each year is for grants to cities of
 12.34 the first class for traffic calming infrastructure
 12.35 improvements, including horizontal and

13.1 vertical deflection elements, intersection
 13.2 improvements, paint, curb bump-outs,
 13.3 bollards, raised crosswalks, or other
 13.4 improvements to improve traffic safety in the
 13.5 right-of-way. Improvements made on
 13.6 nonmunicipal state-aid streets do not need to
 13.7 meet municipal state-aid streets standards.
 13.8 These are onetime appropriations.
 13.9 Notwithstanding Minnesota Statutes, section
 13.10 16B.98, subdivision 14, the commissioner
 13.11 must not use any amount of this appropriation
 13.12 for administrative costs. The commissioner
 13.13 must distribute the grant aid as follows:
 13.14 (i) 50 percent of the funds proportionally based
 13.15 on each city's share of population, according
 13.16 to the last federal decennial census, compared
 13.17 to the total population of all cities of the first
 13.18 class; and
 13.19 (ii) 50 percent of the funds proportionally
 13.20 based on each city's share of money needs, as
 13.21 determined under Minnesota Statutes, section
 13.22 162.13, subdivision 2, compared to the total
 13.23 money needs of all cities of the first class.

13.24 **(3) Empowering Small Minnesota Communities**

13.25 \$250,000 in fiscal year 2026 is for transfer to
 13.26 the Board of Regents of the University of
 13.27 Minnesota for the empowering small
 13.28 Minnesota communities program under
 13.29 Minnesota Statutes, section 137.345.

13.30 **Subd. 5. Agency Management**

13.31	<u>(a) Agency Services</u>	<u>91,533,000</u>	<u>95,124,000</u>
-------	-----------------------------------	-------------------	-------------------

13.32 Appropriations by Fund

13.33	<u>General</u>	<u>6,200,000</u>	<u>6,200,000</u>
13.34	<u>Trunk Highway</u>	<u>85,333,000</u>	<u>88,924,000</u>

14.1 \$191,000 in each year is from the general fund
14.2 for staff costs for the electric vehicle
14.3 infrastructure program under Minnesota
14.4 Statutes, section 174.47.

14.5 \$900,000 in each year is from the general fund
14.6 for the Tribal affairs construction workforce
14.7 training program.

14.8 \$4,000,000 in each year is from the general
14.9 fund for information technology projects and
14.10 implementation.

14.11 \$243,000 in each year is from the general fund
14.12 for complete streets implementation training
14.13 under Minnesota Statutes, section 174.75,
14.14 subdivision 2a.

14.15 **(b) Buildings** 44,710,000 44,802,000

14.16 Any money appropriated to the commissioner
14.17 of transportation for building construction for
14.18 any fiscal year before fiscal year 2026 is
14.19 available to the commissioner during the
14.20 biennium to the extent that the commissioner
14.21 spends the money on the building construction
14.22 projects for which the money was originally
14.23 encumbered during the fiscal year for which
14.24 it was appropriated. If the appropriation for
14.25 either year is insufficient, the appropriation
14.26 for the other year is available for it.

14.27 **(c) Tort Claims** 600,000 600,000

14.28 If the appropriation for either year is
14.29 insufficient, the appropriation for the other
14.30 year is available for it.

14.31 **Subd. 6. Transfers; General Authority**

14.32 (a) With the approval of the commissioner of
14.33 management and budget, the commissioner

15.1 of transportation may transfer unencumbered
 15.2 balances among the appropriations from the
 15.3 trunk highway fund and the state airports fund
 15.4 made in this section. Transfers under this
 15.5 paragraph must not be made: (1) between
 15.6 funds; (2) from the appropriations for state
 15.7 road construction or debt service; or (3) from
 15.8 the appropriations for operations and
 15.9 maintenance or program delivery, except for
 15.10 a transfer to state road construction or debt
 15.11 service.

15.12 (b) The commissioner of transportation must
 15.13 immediately report transfers under paragraph
 15.14 (a) to the chairs, ranking minority members,
 15.15 and staff of the legislative committees with
 15.16 jurisdiction over transportation finance. The
 15.17 authority for the commissioner of
 15.18 transportation to make transfers under
 15.19 Minnesota Statutes, section 16A.285, is
 15.20 superseded by the authority and requirements
 15.21 under this subdivision.

15.22 **Subd. 7. Transfers; Flexible Highway Account**

15.23 The commissioner of transportation must
 15.24 transfer from the flexible highway account in
 15.25 the county state-aid highway fund:
 15.26 (1) \$21,800,000 in fiscal year 2026 to the
 15.27 trunk highway fund;
 15.28 (2) \$22,230,000 in fiscal year 2026 to the
 15.29 municipal turnback account in the municipal
 15.30 state-aid street fund; and
 15.31 (3) the remainder in each year to the county
 15.32 turnback account in the county state-aid
 15.33 highway fund.

16.1 The money transferred under clause (1) is
16.2 appropriated from the trunk highway fund for
16.3 highway turnback purposes as provided under
16.4 Minnesota Statutes, section 161.081,
16.5 subdivision 3.

16.6 **Subd. 8. Contingent Appropriations**

16.7 The commissioner of transportation, with the
16.8 approval of the governor and the written
16.9 approval of at least five members of a group
16.10 consisting of the members of the Legislative
16.11 Advisory Commission under Minnesota
16.12 Statutes, section 3.30, and the ranking minority
16.13 members of the legislative committees with
16.14 jurisdiction over transportation finance, may
16.15 transfer all or part of the unappropriated
16.16 balance in the trunk highway fund to an
16.17 appropriation: (1) for trunk highway design,
16.18 construction, or inspection in order to take
16.19 advantage of an unanticipated receipt of
16.20 income to the trunk highway fund or to take
16.21 advantage of federal advanced construction
16.22 funding; (2) for trunk highway maintenance
16.23 in order to meet an emergency; or (3) to pay
16.24 tort or environmental claims. Nothing in this
16.25 subdivision authorizes the commissioner to
16.26 increase the use of federal advanced
16.27 construction funding beyond amounts
16.28 specifically authorized. Any transfer as a result
16.29 of the use of federal advanced construction
16.30 funding must include an analysis of the effects
16.31 on the long-term trunk highway fund balance.
16.32 The amount transferred is appropriated for the
16.33 purpose of the account to which it is
16.34 transferred.

16.35 **Sec. 3. METROPOLITAN COUNCIL**

17.1	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>128,734,000</u>	<u>\$</u>	<u>134,567,000</u>
17.2	<u>The appropriations in this section are from the</u>				
17.3	<u>general fund to the Metropolitan Council.</u>				
17.4	<u>Subd. 2. Transit System Operations</u>		<u>16,227,000</u>		<u>16,227,000</u>
17.5	<u>This appropriation is for transit system</u>				
17.6	<u>operations under Minnesota Statutes, sections</u>				
17.7	<u>473.371 to 473.449.</u>				
17.8	<u>Subd. 3. Special Transportation Service</u>		<u>112,507,000</u>		<u>118,340,000</u>
17.9	<u>This appropriation is for special transportation</u>				
17.10	<u>service under Minnesota Statutes, section</u>				
17.11	<u>473.386, including Metro Mobility and Metro</u>				
17.12	<u>Move.</u>				
17.13	<u>Sec. 4. DEPARTMENT OF PUBLIC SAFETY</u>				
17.14	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>316,228,000</u>	<u>\$</u>	<u>299,658,000</u>
17.15	<u>Appropriations by Fund</u>				
17.16	<u>2026</u>	<u>2027</u>			
17.17	<u>General</u>	<u>37,529,000</u>	<u>37,563,000</u>		
17.18	<u>H.U.T.D.</u>	<u>1,382,000</u>	<u>1,395,000</u>		
17.19	<u>Special Revenue</u>	<u>80,976,000</u>	<u>80,443,000</u>		
17.20	<u>Trunk Highway</u>	<u>196,341,000</u>	<u>180,257,000</u>		
17.21	<u>The appropriations in this section are to the</u>				
17.22	<u>commissioner of public safety.</u>				
17.23	<u>The amounts that may be spent for each</u>				
17.24	<u>purpose are specified in the following</u>				
17.25	<u>subdivisions. The commissioner must spend</u>				
17.26	<u>appropriations from the trunk highway fund</u>				
17.27	<u>in subdivision 3 only for State Patrol purposes.</u>				
17.28	<u>Subd. 2. Administration and Related Services</u>				
17.29	<u>(a) Office of Communications</u>		<u>1,198,000</u>		<u>1,232,000</u>
17.30	<u>This appropriation is from the general fund.</u>				
17.31	<u>(b) Public Safety Support</u>		<u>11,429,000</u>		<u>11,473,000</u>

18.1	<u>Appropriations by Fund</u>		
18.2	<u>General</u>	<u>6,001,000</u>	<u>6,001,000</u>
18.3	<u>Trunk Highway</u>	<u>5,428,000</u>	<u>5,472,000</u>
18.4	<u>\$1,483,000 in each year is from the general</u>		
18.5	<u>fund for staff and operating costs related to</u>		
18.6	<u>public engagement activities.</u>		
18.7	<u>(c) Public Safety Officer Survivor Benefits</u>	<u>1,640,000</u>	<u>1,640,000</u>
18.8	<u>This appropriation is from the general fund</u>		
18.9	<u>for payment of public safety officer survivor</u>		
18.10	<u>benefits under Minnesota Statutes, section</u>		
18.11	<u>299A.44. If the appropriation for either year</u>		
18.12	<u>is insufficient, the appropriation for the other</u>		
18.13	<u>year is available for it.</u>		
18.14	<u>(d) Public Safety Officer Reimbursements</u>	<u>1,367,000</u>	<u>1,367,000</u>
18.15	<u>This appropriation is from the general fund</u>		
18.16	<u>for transfer to the public safety officer's benefit</u>		
18.17	<u>account. This appropriation is available for</u>		
18.18	<u>reimbursements under Minnesota Statutes,</u>		
18.19	<u>section 299A.465.</u>		
18.20	<u>(e) Soft Body Armor Reimbursements</u>	<u>745,000</u>	<u>745,000</u>
18.21	<u>This appropriation is from the general fund</u>		
18.22	<u>for soft body armor reimbursements under</u>		
18.23	<u>Minnesota Statutes, section 299A.38.</u>		
18.24	<u>(f) Technology and Support Services</u>	<u>7,130,000</u>	<u>7,130,000</u>
18.25	<u>Appropriations by Fund</u>		
18.26	<u>General</u>	<u>1,743,000</u>	<u>1,743,000</u>
18.27	<u>Trunk Highway</u>	<u>5,387,000</u>	<u>5,387,000</u>
18.28	<u>Subd. 3. State Patrol</u>		
18.29	<u>(a) Patrolling Highways</u>	<u>165,434,000</u>	<u>149,300,000</u>
18.30	<u>Appropriations by Fund</u>		
18.31	<u>General</u>	<u>37,000</u>	<u>37,000</u>
18.32	<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
18.33	<u>Trunk Highway</u>	<u>165,305,000</u>	<u>149,171,000</u>

19.1 \$1,045,000 in each year is from the trunk
 19.2 highway fund for recruitment and hiring
 19.3 initiatives. The base for this purpose is
 19.4 \$10,365,000 in fiscal year 2028, \$10,365,000
 19.5 in fiscal year 2029, and \$1,672,000 in each
 19.6 subsequent fiscal year. The amounts in fiscal
 19.7 years 2028 and 2029 include funding to
 19.8 conduct an additional annual trooper academy.

19.9 \$14,935,000 in fiscal year 2026 is from the
 19.10 trunk highway fund to purchase and equip a
 19.11 helicopter. This appropriation is available until
 19.12 June 30, 2027.

19.13 \$2,996,000 in fiscal year 2026 is from the
 19.14 trunk highway fund to purchase a Cirrus
 19.15 single-engine airplane as a replacement for
 19.16 the current Cessna 182 aircraft. This
 19.17 appropriation is available until June 30, 2027.

19.18 \$1,700,000 in each year is from the trunk
 19.19 highway fund for staff and equipment costs
 19.20 of pilots for the State Patrol.

19.21 \$490,000 in fiscal year 2026 and \$340,000 in
 19.22 fiscal year 2027 are from the trunk highway
 19.23 fund for maintenance staff and aviation
 19.24 supervisory staff.

19.25 \$352,000 in each year is from the trunk
 19.26 highway fund to support the State Patrol's
 19.27 accreditation process under the Commission
 19.28 on Accreditation for Law Enforcement
 19.29 Agencies.

19.30 The base from the trunk highway fund is
 19.31 \$158,491,000 in each of fiscal years 2028 and
 19.32 2029.

19.33	<u>(b) Commercial Vehicle Enforcement</u>	<u>18,861,000</u>	<u>18,861,000</u>
-------	---	-------------------	-------------------

20.1	<u>\$5,248,000 in each year is for a match for</u>		
20.2	<u>federal grants for additional troopers and</u>		
20.3	<u>nonsworn commercial vehicle inspectors.</u>		
20.4	<u>(c) Capitol Security</u>	<u>19,243,000</u>	<u>19,243,000</u>
20.5	<u>This appropriation is from the general fund.</u>		
20.6	<u>The commissioner must not:</u>		
20.7	<u>(1) spend any money from the trunk highway</u>		
20.8	<u>fund for capitol security; or</u>		
20.9	<u>(2) permanently transfer any state trooper from</u>		
20.10	<u>the patrolling highways activity to capitol</u>		
20.11	<u>security.</u>		
20.12	<u>The commissioner must not transfer any</u>		
20.13	<u>money appropriated to the commissioner under</u>		
20.14	<u>this section:</u>		
20.15	<u>(1) to capitol security; or</u>		
20.16	<u>(2) from capitol security.</u>		
20.17	<u>(d) Vehicle Crimes Unit</u>	<u>1,290,000</u>	<u>1,303,000</u>
20.18	<u>This appropriation is from the highway user</u>		
20.19	<u>tax distribution fund to investigate:</u>		
20.20	<u>(1) registration tax and motor vehicle sales tax</u>		
20.21	<u>liabilities from individuals and businesses that</u>		
20.22	<u>currently do not pay all taxes owed; and</u>		
20.23	<u>(2) illegal or improper activity related to the</u>		
20.24	<u>sale, transfer, titling, and registration of motor</u>		
20.25	<u>vehicles.</u>		
20.26	<u>Subd. 4. Driver and Vehicle Services</u>		
20.27	<u>(a) Driver Services</u>	<u>47,665,000</u>	<u>47,132,000</u>
20.28	<u>This appropriation is from the driver and</u>		
20.29	<u>vehicle services operating account under</u>		
20.30	<u>Minnesota Statutes, section 299A.705.</u>		

21.1 \$317,000 in fiscal year 2026 is for rulemaking
 21.2 costs for the ignition interlock device program
 21.3 under Minnesota Statutes, section 171.306.

21.4 \$218,000 in fiscal year 2026 is for costs of
 21.5 adding work zone safety information into the
 21.6 driver's manual and written examination and
 21.7 related rulemaking.

21.8 \$120,000 in each year is for reimbursement
 21.9 to driver's license agents for the purchase and
 21.10 maintenance of equipment necessary for a
 21.11 full-service provider, as defined in Minnesota
 21.12 Statutes, section 171.01, subdivision 33a,
 21.13 following application to the commissioner.

21.14 \$109,000 in each year is for staff costs to
 21.15 manage, review, and audit online driver
 21.16 education programs.

21.17 \$81,000 in each year is for implementation of
 21.18 race and ethnicity information collection from
 21.19 applicants for drivers' licenses and
 21.20 identification cards.

21.21 \$5,567,000 in each year is to staff, maintain,
 21.22 and operate driver's license examination
 21.23 stations. The commissioner must keep open
 21.24 all driver's license examination stations that
 21.25 are open on the effective date of this section.

21.26 **(b) Vehicle Services**

21.27 This appropriation is from the driver and
 21.28 vehicle services operating account under
 21.29 Minnesota Statutes, section 299A.705.

21.30 \$2,189,000 in each year is for payments to
 21.31 deputy registrars under Minnesota Statutes,
 21.32 section 168.33, subdivision 7, and to driver's

31,868,000

31,868,000

22.1	<u>license agents under Minnesota Statutes,</u>		
22.2	<u>section 171.061, subdivision 4.</u>		
22.3	<u>\$192,000 in each year is for staff costs related</u>		
22.4	<u>to monitoring and auditing records issued by</u>		
22.5	<u>full-service providers.</u>		
22.6	<u>\$1,300,000 in each year is for staff and</u>		
22.7	<u>operating costs related to additional vehicle</u>		
22.8	<u>inspection sites.</u>		
22.9	<u>\$96,000 in each year is for the appeals process</u>		
22.10	<u>for information technology system data access</u>		
22.11	<u>revocations, including costs of staff and</u>		
22.12	<u>equipment.</u>		
22.13	<u>Subd. 5. Traffic Safety</u>	<u>6,355,000</u>	<u>6,361,000</u>
22.14	<u>Appropriations by Fund</u>		
22.15	<u>General</u>	<u>4,995,000</u>	<u>4,995,000</u>
22.16	<u>Trunk Highway</u>	<u>1,360,000</u>	<u>1,366,000</u>
22.17	<u>\$1,500,000 in each year is from the general</u>		
22.18	<u>fund for operations and traffic safety projects,</u>		
22.19	<u>grants, and activities of the Advisory Council</u>		
22.20	<u>on Traffic Safety under Minnesota Statutes,</u>		
22.21	<u>section 4.076.</u>		
22.22	<u>The following amounts are for the staff and</u>		
22.23	<u>operating costs related to a Traffic Safety Data</u>		
22.24	<u>Analytics Center: (1) \$813,000 in each year</u>		
22.25	<u>from the general fund; and (2) \$187,000 in</u>		
22.26	<u>each year from the trunk highway fund.</u>		
22.27	<u>\$2,001,000 in each year is for the drug</u>		
22.28	<u>evaluation and classification program for drug</u>		
22.29	<u>recognition evaluator training; phlebotomists;</u>		
22.30	<u>drug recognition training for peace officers,</u>		
22.31	<u>as defined in Minnesota Statutes, section</u>		
22.32	<u>626.84, subdivision 1, paragraph (c); required</u>		
22.33	<u>continuing education training for drug</u>		
22.34	<u>recognition experts; program administration;</u>		

23.1 grants to local law enforcement divisions; and
 23.2 grants to eligible employers for drug
 23.3 evaluation and classification training costs of
 23.4 their staff. The commissioner must make
 23.5 reasonable efforts to reflect the geographic
 23.6 diversity of the state in making expenditures.
 23.7 Any balance in the first year does not cancel
 23.8 but is available in the second year.
 23.9 \$98,000 in each year is from the general fund
 23.10 to coordinate a statewide traffic safety equity
 23.11 program, including staff costs.

23.12 Subd. 6. Pipeline Safety 2,003,000 2,003,000

23.13 Appropriations by Fund

23.14 General 560,000 560,000

23.15 Special Revenue 1,443,000 1,443,000

23.16 The appropriation from the special revenue
 23.17 fund is from the pipeline safety account under
 23.18 Minnesota Statutes, section 299J.18.

23.19 \$560,000 in each year is from the general fund
 23.20 for staff and operating costs related to
 23.21 oversight of the excavation notice system
 23.22 under Minnesota Statutes, chapter 216D,
 23.23 including education, investigation, and
 23.24 enforcement activities.

23.25 Sec. 5. APPROPRIATION CANCELLATIONS; DEPARTMENT OF
 23.26 TRANSPORTATION.

23.27 (a) \$185,655,000 of the appropriation in fiscal year 2024 from the general fund for the
 23.28 Northern Lights Express intercity passenger rail project under Laws 2023, chapter 68, article
 23.29 1, section 2, subdivision 2, paragraph (d), is canceled to the general fund.

23.30 (b) \$3,130,000 of the appropriation in fiscal year 2023 from the general fund for rail
 23.31 corridor service analysis under Laws 2023, chapter 68, article 1, section 10, is canceled to
 23.32 the general fund.

24.1 (c) \$45,000 of the appropriation in fiscal year 2024 from the general fund for grants to
24.2 the city of Chatfield to develop a transportation management organization in southeastern
24.3 Minnesota under Laws 2023, chapter 68, article 1, section 9, paragraph (d), is canceled to
24.4 the general fund.

24.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.6 **Sec. 6. TRANSFERS.**

24.7 (a) \$8,155,000 in fiscal year 2026 and \$8,284,000 in fiscal year 2027 are transferred
24.8 from the general fund to the active transportation account under Minnesota Statutes, section
24.9 174.38. For fiscal years 2028 to 2031, the commissioner of management and budget must
24.10 include a transfer of \$8,284,000 each year from the general fund to the active transportation
24.11 account, when preparing each forecast through the February 2027 forecast, under Minnesota
24.12 Statutes, section 16A.103.

24.13 (b) \$400,000 in fiscal year 2026 is transferred from the general fund to the local

24.14 government road funding gap assistance account under Minnesota Statutes, section 162.175.

24.15 Sec. 7. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as
24.16 amended by Laws 2024, chapter 127, article 1, section 10, is amended to read:

24.17 Subd. 2. **Multimodal Systems**24.18 (a) **Aeronautics**

24.19	(1) Airport Development and Assistance	24,198,000	18,598,000
-------	---	------------	------------

24.20 Appropriations by Fund

24.21	2022	2023
-------	------	------

24.22	General	5,600,000	-0-
-------	---------	-----------	-----

24.23	Airports	18,598,000	18,598,000
-------	----------	------------	------------

24.24 This appropriation is from the state airports
24.25 fund and must be spent according to
24.26 Minnesota Statutes, section 360.305,
24.27 subdivision 4.

24.28 \$5,600,000 in fiscal year 2022 is from the
24.29 general fund for a grant to the city of Karlstad
24.30 for the acquisition of land, predesign, design,
24.31 engineering, and construction of a primary

25.1

airport runway. This appropriation is for Phase

25.2

1 of the project.

25.3

Notwithstanding Minnesota Statutes, section

25.4

16A.28, subdivision 6, this appropriation is

25.5

available for five years after the year of the

25.6

appropriation. If the appropriation for either

25.7

year is insufficient, the appropriation for the

25.8

other year is available for it.

25.9

If the commissioner of transportation

25.10

determines that a balance remains in the state

25.11

airports fund following the appropriations

25.12

made in this article and that the appropriations

25.13

made are insufficient for advancing airport

25.14

development and assistance projects, an

25.15

amount necessary to advance the projects, not

25.16

to exceed the balance in the state airports fund,

25.17

is appropriated in each year to the

25.18

commissioner and must be spent according to

25.19

Minnesota Statutes, section 360.305,

25.20

subdivision 4. Within two weeks of a

25.21

determination under this contingent

25.22

appropriation, the commissioner of

25.23

transportation must notify the commissioner

25.24

of management and budget and the chairs,

25.25

ranking minority members, and staff of the

25.26

legislative committees with jurisdiction over

25.27

transportation finance concerning the funds

25.28

appropriated. Funds appropriated under this

25.29

contingent appropriation do not adjust the base

25.30

for fiscal years 2024 and 2025.

25.31

(2) **Aviation Support Services**

8,332,000

8,340,000

25.32

Appropriations by Fund			
	2022	2023	
25.34	General	1,650,000	1,650,000
25.35	Airports	6,682,000	6,690,000

26.1 \$28,000 in fiscal year 2022 and \$36,000 in
26.2 fiscal year 2023 are from the state airports
26.3 fund for costs related to regulating unmanned
26.4 aircraft systems.

26.5 **(3) Civil Air Patrol** 80,000 80,000

26.6 This appropriation is from the state airports
26.7 fund for the Civil Air Patrol.

26.8 **(b) Transit and Active Transportation** 23,501,000 18,201,000

26.9 This appropriation is from the general fund.

26.10 \$5,000,000 in fiscal year 2022 is for the active
26.11 transportation program under Minnesota
26.12 Statutes, section 174.38. This is a onetime
26.13 appropriation and is available until June 30,
26.14 2025.

26.15 \$300,000 in fiscal year 2022 is for a grant to
26.16 the 494 Corridor Commission. The
26.17 commissioner must not retain any portion of
26.18 the funds appropriated under this section. The
26.19 commissioner must make grant payments in
26.20 full by December 31, 2021. Funds under this
26.21 grant are for programming and service
26.22 expansion to assist companies and commuters
26.23 in telecommuting efforts and promotion of
26.24 best practices. A grant recipient must provide
26.25 telework resources, assistance, information,
26.26 and related activities on a statewide basis. This
26.27 is a onetime appropriation.

26.28 **(c) Safe Routes to School** 5,500,000 500,000

26.29 This appropriation is from the general fund
26.30 for the safe routes to school program under
26.31 Minnesota Statutes, section 174.40.

27.1 If the appropriation for either year is

27.2 insufficient, the appropriation for the other

27.3 year is available for it.

27.4 (d) **Passenger Rail**10,500,000500,000

27.5 This appropriation is from the general fund

27.6 for passenger rail activities under Minnesota

27.7 Statutes, sections 174.632 to 174.636.

27.8 \$10,000,000 in fiscal year 2022 is for final

27.9 design and construction to provide for a

27.10 second daily Amtrak train service between

27.11 Minneapolis and St. Paul and Chicago. The

27.12 commissioner may expend funds for program

27.13 delivery and administration from this amount.

27.14 This is a onetime appropriation and is

27.15 available until June 30, ~~2025~~ 2028.

27.16 (e) **Freight**8,342,0007,323,000

27.17 Appropriations by Fund

27.18 20222023

27.19 General2,464,0001,445,000

27.20 Trunk Highway5,878,0005,878,000

27.21 \$1,000,000 in fiscal year 2022 is from the

27.22 general fund for procurement costs of a

27.23 statewide freight network optimization tool.

27.24 This is a onetime appropriation and is

27.25 available until June 30, 2023.

27.26 \$350,000 in fiscal year 2022 and \$287,000 in

27.27 fiscal year 2023 are from the general fund for

27.28 two additional rail safety inspectors in the state

27.29 rail safety inspection program under

27.30 Minnesota Statutes, section 219.015. In each

27.31 year, the commissioner must not increase the

27.32 total assessment amount under Minnesota

27.33 Statutes, section 219.015, subdivision 2, from

27.34 the most recent assessment amount.

28.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.2 Sec. 8. Laws 2021, First Special Session chapter 14, article 11, section 45, is amended to
28.3 read:

28.4 Sec. 45. **APPROPRIATION; DEPARTMENT OF TRANSPORTATION.**

28.5 \$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
28.6 of transportation for project development of a land bridge freeway lid over marked Interstate
28.7 Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul.
28.8 This amount is available to match federal funds and for project planning and development,
28.9 including area planning, community and land use planning, economic development planning,
28.10 design, and project management and analysis. From this amount, the commissioner may
28.11 make grants to Reconnect Rondo to perform any eligible project development activities.
28.12 This is a onetime appropriation and is available until June 30, ~~2025~~ 2026.

28.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.14 Sec. 9. Laws 2023, chapter 60, article 10, section 9, is amended to read:

28.15	Sec. 9. DEPARTMENT OF			
28.16	TRANSPORTATION	\$	310,000	\$ -0-

28.17 \$310,000 the first year is ~~for awarding grants~~
28.18 to assist manufacturers to obtain
28.19 environmental product declarations for certain
28.20 construction materials used to build roads and
28.21 other transportation infrastructure under
28.22 Minnesota Statutes, section 16B.312. Of this
28.23 amount, up to \$10,000 is for the reasonable
28.24 costs of the department to administer that
28.25 section. This appropriation is available until
28.26 June 30, 2027.

28.27 Sec. 10. Laws 2023, chapter 68, article 1, section 2, subdivision 2, is amended to read:

28.28 Subd. 2. **Multimodal Systems**

28.29 (a) **Aeronautics**

28.30	(1) Airport Development and Assistance	69,598,000	18,598,000
-------	---	------------	------------

29.1	Appropriations by Fund		
29.2		2024	2025
29.3	General	36,000,000	-0-
29.4	Airports	33,598,000	18,598,000

29.5 The appropriation from the state airports fund
29.6 must be spent according to Minnesota Statutes,
29.7 section 360.305, subdivision 4.

29.8 \$36,000,000 in fiscal year 2024 is from the
29.9 general fund for matches to federal aid and
29.10 state investments related to airport
29.11 infrastructure projects. This is a onetime
29.12 appropriation and is available until June 30,
29.13 2027.

29.14 \$15,000,000 in fiscal year 2024 is from the
29.15 state airports fund for system maintenance of
29.16 critical airport safety systems, equipment, and
29.17 essential airfield technology.

29.18 Notwithstanding Minnesota Statutes, section
29.19 16A.28, subdivision 6, the appropriation from
29.20 the state airports fund is available for five
29.21 years after the year of the appropriation. If the
29.22 appropriation for either year is insufficient,
29.23 the appropriation for the other year is available
29.24 for it.

29.25 If the commissioner of transportation
29.26 determines that a balance remains in the state
29.27 airports fund following the appropriations
29.28 made in this article and that the appropriations
29.29 made are insufficient for advancing airport
29.30 development and assistance projects, an
29.31 amount necessary to advance the projects, not
29.32 to exceed the balance in the state airports fund,
29.33 is appropriated in each year to the
29.34 commissioner and must be spent according to
29.35 Minnesota Statutes, section 360.305,

30.1 subdivision 4. Within two weeks of a
30.2 determination under this contingent
30.3 appropriation, the commissioner of
30.4 transportation must notify the commissioner
30.5 of management and budget and the chairs,
30.6 ranking minority members, and staff of the
30.7 legislative committees with jurisdiction over
30.8 transportation finance concerning the funds
30.9 appropriated. Funds appropriated under this
30.10 contingent appropriation do not adjust the base
30.11 for fiscal years 2026 and 2027.

30.12

(2) Aviation Support Services

15,397,000

8,431,000

30.13	Appropriations by Fund		
30.14		2024	2025
30.15	General	8,707,000	1,741,000
30.16	Airports	6,690,000	6,690,000

30.17 \$7,000,000 in fiscal year 2024 is from the
30.18 general fund to purchase two utility aircraft
30.19 for the Department of Transportation.

30.20

(3) Civil Air Patrol

80,000

80,000

30.21 This appropriation is from the state airports
30.22 fund for the Civil Air Patrol.

30.23

(b) Transit and Active Transportation

58,478,000

18,374,000

30.24 This appropriation is from the general fund.
30.25 \$200,000 in fiscal year 2024 and \$50,000 in
30.26 fiscal year 2025 are for a grant to the city of
30.27 Rochester to implement demand response
30.28 transit service using electric transit vehicles.
30.29 The money is available for mobile software
30.30 application development; vehicles and
30.31 equipment, including accessible vehicles;
30.32 associated charging infrastructure; and capital
30.33 and operating costs.

31.1 \$40,000,000 in fiscal year 2024 is for matches
31.2 to federal aid and state investments related to
31.3 transit and active transportation projects. This
31.4 is a onetime appropriation and is available
31.5 until June 30, 2027.

31.6 (c) **Safe Routes to School**

15,297,000

10,500,000

31.7 This appropriation is from the general fund
31.8 for the safe routes to school program under
31.9 Minnesota Statutes, section 174.40.

31.10 If the appropriation for either year is
31.11 insufficient, the appropriation for the other
31.12 year is available for it. The appropriations in
31.13 each year are available until June 30, 2027.

31.14 The base for this appropriation is \$1,500,000
31.15 in each of fiscal years 2026 and 2027.

31.16 (d) **Passenger Rail**

197,521,000

4,226,000

31.17 This appropriation is from the general fund
31.18 for passenger rail activities under Minnesota
31.19 Statutes, sections 174.632 to 174.636.

31.20 \$194,700,000 in fiscal year 2024 is for capital
31.21 improvements and betterments for the
31.22 Minneapolis-Duluth Northern Lights Express
31.23 intercity passenger rail project, including
31.24 preliminary engineering, design, engineering,
31.25 environmental analysis and mitigation,
31.26 acquisition of land and right-of-way,
31.27 equipment and rolling stock, and construction.

31.28 From this appropriation, the amount necessary
31.29 is for: (1) Coon Rapids station improvements
31.30 to establish a joint station that provides for
31.31 Amtrak train service on the Empire Builder
31.32 line between Chicago and Seattle; and (2)
31.33 acquisition of equipment and rolling stock for
31.34 purposes of participation in the Midwest fleet

32.1 pool to provide for service on Northern Lights
32.2 Express and expanded Amtrak train service
32.3 between Minneapolis and St. Paul and
32.4 Chicago. The commissioner of transportation
32.5 must not approve additional stops or stations
32.6 beyond those included in the Federal Railroad
32.7 Administration's January 2018 Finding of No
32.8 Significant Impact and Section 4(f)
32.9 Determination if the commissioner determines
32.10 that the resulting speed reduction would
32.11 negatively impact total ridership. This
32.12 appropriation is onetime and is available until
32.13 June 30, 2028.

32.14 \$1,833,000 in fiscal year 2024 and \$3,238,000
32.15 in fiscal year 2025 are for a match to federal
32.16 aid for capital and operating costs for
32.17 expanded Amtrak train service between
32.18 Minneapolis and St. Paul and Chicago. These
32.19 amounts are available until June 30, 2028.

32.20 The base from the general fund is \$5,742,000
32.21 in each of fiscal years 2026 and 2027.

32.22	(e) Freight	14,650,000	9,066,000
-------	-------------	------------	-----------

32.23	Appropriations by Fund		
32.24		2024	2025
32.25	General	8,283,000	2,400,000
32.26	Trunk Highway	6,367,000	6,666,000

32.27 \$5,000,000 in fiscal year 2024 is from the
32.28 general fund for matching federal aid grants
32.29 for improvements, engineering, and
32.30 administrative costs for the Stone Arch Bridge
32.31 in Minneapolis. This is a onetime
32.32 appropriation and is available until June 30,
32.33 2027.

33.1 \$1,000,000 in each year is from the general
33.2 fund for staff, operating costs, and
33.3 maintenance related to weight and safety
33.4 enforcement systems.

33.5 \$974,000 in fiscal year 2024 is from the
33.6 general fund for procurement costs of a
33.7 statewide freight network optimization tool
33.8 under Laws 2021, First Special Session
33.9 chapter 5, article 4, section 133. This is a
33.10 onetime appropriation and is available until
33.11 June 30, 2025.

33.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.13 Sec. 11. Laws 2023, chapter 68, article 1, section 2, subdivision 3, is amended to read:

33.14 Subd. 3. **State Roads**

33.15 (a) Operations and Maintenance	414,220,000	425,341,000
---	-------------	-------------

33.16	Appropriations by Fund		
33.17		2024	2025
33.18	General	2,000,000	-0-
33.19	Trunk Highway	412,220,000	425,341,000

33.20 \$1,000,000 in fiscal year 2024 is from the
33.21 general fund for the highways for habitat
33.22 program under Minnesota Statutes, section
33.23 160.2325. This amount is available until June
33.24 30, 2027.

33.25 \$248,000 in each year is from the trunk
33.26 highway fund for living snow fence
33.27 implementation and maintenance activities.

33.28 \$1,000,000 in fiscal year 2024 is from the
33.29 general fund for safe road zones under
33.30 Minnesota Statutes, section 169.065, including
33.31 development and delivery of public awareness
33.32 and education campaigns about safe road
33.33 zones.

34.1	(b) Program Planning and Delivery		
34.2	(1) Planning and Research	32,679,000	33,465,000
34.3	The commissioner may use any balance		
34.4	remaining in this appropriation for program		
34.5	delivery under clause (2).		
34.6	\$130,000 in each year is available for		
34.7	administrative costs of the targeted group		
34.8	business program.		
34.9	\$266,000 in each year is available for grants		
34.10	to metropolitan planning organizations outside		
34.11	the seven-county metropolitan area.		
34.12	\$900,000 in each year is available for grants		
34.13	for transportation studies outside the		
34.14	metropolitan area to identify critical concerns,		
34.15	problems, and issues. These grants are		
34.16	available: (i) to regional development		
34.17	commissions; (ii) in regions where no regional		
34.18	development commission is functioning, to		
34.19	joint powers boards established under		
34.20	agreement of two or more political		
34.21	subdivisions in the region to exercise the		
34.22	planning functions of a regional development		
34.23	commission; and (iii) in regions where no		
34.24	regional development commission or joint		
34.25	powers board is functioning, to the Department		
34.26	of Transportation district office for that region.		
34.27	(2) Program Delivery	274,451,000	273,985,000
34.28	Appropriations by Fund		
34.29		2024	2025
34.30	General	2,250,000	2,000,000
34.31	Trunk Highway	272,201,000	271,985,000
34.32	This appropriation includes use of consultants		
34.33	to support development and management of		
34.34	projects.		

35.1 \$10,000,000 in fiscal year 2024 is from the
 35.2 trunk highway fund for roadway design and
 35.3 related improvements that reduce speeds and
 35.4 eliminate intersection interactions on rural
 35.5 high-risk roadways. The commissioner must
 35.6 identify roadways based on crash information
 35.7 and in consultation with the Advisory Council
 35.8 on Traffic Safety under Minnesota Statutes,
 35.9 section 4.076, and local traffic safety partners.
 35.10 This is a onetime appropriation and is
 35.11 available until June 30, 2026.

35.12 \$2,000,000 in each year is from the general
 35.13 fund for implementation of climate-related
 35.14 programs as provided under the federal
 35.15 Infrastructure Investment and Jobs Act, Public
 35.16 Law 117-58.

35.17 \$1,193,000 in fiscal year 2024 is from the
 35.18 trunk highway fund for costs related to the
 35.19 property conveyance to the Upper Sioux
 35.20 Community of state-owned land within the
 35.21 boundaries of Upper Sioux Agency State Park,
 35.22 including fee purchase, property purchase,
 35.23 appraisals, and road and bridge demolition
 35.24 and related engineering. This amount is
 35.25 available until June 30, 2027.

35.26 \$250,000 in fiscal year 2024 is from the
 35.27 general fund for costs related to the Clean
 35.28 Transportation Fuel Standard Working Group
 35.29 established under article 4, section 124.

35.30 \$1,000,000 in each year is available from the
 35.31 trunk highway fund for management of
 35.32 contaminated and regulated material on
 35.33 property owned by the Department of
 35.34 Transportation, including mitigation of
 35.35 property conveyances, facility acquisition or

36.1 expansion, chemical release at maintenance

36.2 facilities, and spills on the trunk highway

36.3 system where there is no known responsible

36.4 party. If the appropriation for either year is

36.5 insufficient, the appropriation for the other

36.6 year is available for it.

36.7 (c) **State Road Construction**1,207,013,0001,174,045,000

36.8 Appropriations by Fund

36.9 20242025

36.10 General1,800,000-0-

36.11 Trunk Highway1,205,213,0001,174,045,000

36.12 This appropriation is for the actual

36.13 construction, reconstruction, and improvement

36.14 of trunk highways, including design-build

36.15 contracts, internal department costs associated

36.16 with delivering the construction program,

36.17 consultant usage to support these activities,

36.18 and the cost of actual payments to landowners

36.19 for lands acquired for highway rights-of-way,

36.20 payment to lessees, interest subsidies, and

36.21 relocation expenses.

36.22 This appropriation includes federal highway

36.23 aid. The commissioner of transportation must

36.24 notify the chairs, ranking minority members,

36.25 and staff of the legislative committees with

36.26 jurisdiction over transportation finance of any

36.27 significant events that cause the estimates of

36.28 federal aid to change.

36.29 \$1,500,000 in fiscal year 2024 is from the

36.30 general fund for living snow fence

36.31 implementation, including: acquiring and

36.32 planting trees, shrubs, native grasses, and

36.33 wildflowers that are climate adaptive to

36.34 Minnesota; improvements; contracts;

37.1 easements; rental agreements; and program
37.2 delivery.

37.3 \$300,000 in fiscal year 2024 is from the
37.4 general fund for additions and modifications
37.5 to work zone design or layout to reduce
37.6 vehicle speeds in a work zone. This
37.7 appropriation is available following a
37.8 determination by the commissioner that the
37.9 initial work zone design or layout
37.10 insufficiently provides for reduced vehicle
37.11 speeds.

37.12 The commissioner may expend up to one-half
37.13 of one percent of the federal appropriations
37.14 under this paragraph as grants to opportunity
37.15 industrialization centers and other nonprofit
37.16 job training centers for job training programs
37.17 related to highway construction.

37.18 The commissioner may transfer up to
37.19 \$15,000,000 in each year to the transportation
37.20 revolving loan fund.

37.21 The commissioner may receive money
37.22 covering other shares of the cost of partnership
37.23 projects. These receipts are appropriated to
37.24 the commissioner for these projects.

37.25 The base from the trunk highway fund is
37.26 \$1,161,813,000 in each of fiscal years 2026
37.27 and 2027.

37.28 (d) Corridors of Commerce	25,000,000	25,000,000
--	------------	------------

37.29 This appropriation is for the corridors of
37.30 commerce program under Minnesota Statutes,
37.31 section 161.088. The commissioner may use
37.32 up to 17 percent of the amount in each year
37.33 for program delivery.

38.1	(e) Highway Debt Service	268,336,000	291,394,000
38.2	\$265,336,000 in fiscal year 2024 and		
38.3	\$288,394,000 in fiscal year 2025 are for		
38.4	transfer to the state bond fund. If this		
38.5	appropriation is insufficient to make all		
38.6	transfers required in the year for which it is		
38.7	made, the commissioner of management and		
38.8	budget must transfer the deficiency amount		
38.9	as provided under Minnesota Statutes, section		
38.10	16A.641, and notify the chairs, ranking		
38.11	minority members, and staff of the legislative		
38.12	committees with jurisdiction over		
38.13	transportation finance and the chairs of the		
38.14	senate Finance Committee and the house of		
38.15	representatives Ways and Means Committee		
38.16	of the amount of the deficiency. Any excess		
38.17	appropriation cancels to the trunk highway		
38.18	fund.		
38.19	(f) Statewide Radio Communications	8,653,000	6,907,000
38.20	Appropriations by Fund		
38.21		2024	2025
38.22	General	2,003,000	3,000
38.23	Trunk Highway	6,650,000	6,904,000
38.24	\$3,000 in each year is from the general fund		
38.25	to equip and operate the Roosevelt signal		
38.26	tower for Lake of the Woods weather		
38.27	broadcasting.		
38.28	\$2,000,000 in fiscal year 2024 is from the		
38.29	general fund for Allied Radio Matrix for		
38.30	Emergency Response (ARMER) tower		
38.31	building improvements and replacement.		
38.32	<u>EFFECTIVE DATE. This section is effective the day following final enactment.</u>		

39.1 Sec. 12. Laws 2023, chapter 68, article 1, section 4, subdivision 5, is amended to read:

39.2	Subd. 5. Traffic Safety	9,504,000	4,249,000
------	--------------------------------	-----------	-----------

39.3	Appropriations by Fund		
------	------------------------	--	--

39.4		2024	2025
------	--	------	------

39.5	General	8,803,000	3,494,000
------	---------	-----------	-----------

39.6	Trunk Highway	701,000	755,000
------	---------------	---------	---------

39.7 \$1,000,000 in fiscal year 2024 is from the
39.8 general fund for grants to local units of
39.9 government to perform additional traffic safety
39.10 enforcement activities in safe road zones under
39.11 Minnesota Statutes, section 169.065. In
39.12 allocating funds, the commissioner must
39.13 account for other sources of funding for
39.14 increased traffic enforcement.

39.15 \$2,000,000 in fiscal year 2024 is from the
39.16 general fund for grants to local units of
39.17 government to increase traffic safety
39.18 enforcement activities, including training,
39.19 equipment, overtime, and related costs for
39.20 peace officers to perform duties that are
39.21 specifically related to traffic management and
39.22 traffic safety.

39.23 \$2,000,000 in fiscal year 2024 is from the
39.24 general fund for grants to law enforcement
39.25 agencies to undertake targeted speed reduction
39.26 efforts on rural high-risk roadways identified
39.27 by the commissioner based on crash
39.28 information and consultation with the
39.29 Advisory Council on Traffic Safety under
39.30 Minnesota Statutes, section 4.076, and local
39.31 traffic safety partners.

39.32 \$50,000 in fiscal year 2024 is from the general
39.33 fund for an education and awareness campaign
39.34 on motor vehicles passing school buses,

40.1 designed to: (1) help reduce occurrences of
40.2 motor vehicles unlawfully passing school
40.3 buses; and (2) inform drivers about the safety
40.4 of pupils boarding and unloading from school
40.5 buses, including laws requiring a motor
40.6 vehicle to stop when a school bus has extended
40.7 the stop-signal arm and is flashing red lights
40.8 and penalties for violations. The commissioner
40.9 must identify best practices, review effective
40.10 communication methods to educate drivers,
40.11 and consider multiple forms of media to
40.12 convey the information.

40.13 \$100,000 in fiscal year 2024 is from the
40.14 general fund for a public awareness campaign
40.15 to promote understanding and compliance with
40.16 laws regarding the passing of parked
40.17 authorized vehicles.

40.18 \$350,000 in fiscal year 2024 is from the
40.19 general fund for grants to local units of
40.20 government for safe ride programs that
40.21 provide safe transportation options for patrons
40.22 of hospitality and entertainment businesses
40.23 within a community.

40.24 \$250,000 in fiscal year 2024 is from the
40.25 general fund for the traffic safety violations
40.26 disposition analysis under article 4, section
40.27 109.

40.28 \$2,000,000 in each year is from the general
40.29 fund for operations and traffic safety projects,
40.30 grants, and activities of the Advisory Council
40.31 on Traffic Safety under Minnesota Statutes,
40.32 section 4.076. These amounts are available
40.33 until June 30, 2027.

41.1 \$98,000 in each year is from the general fund
41.2 to coordinate a statewide traffic safety equity
41.3 program, including staff costs.

41.4 The following amounts are for the staff and
41.5 operating costs related to a Traffic Safety Data
41.6 Analytics Center: (1) \$407,000 in fiscal year
41.7 2024 and \$813,000 in fiscal year 2025 from
41.8 the general fund; and (2) \$140,000 in each
41.9 year is from the trunk highway fund. The base
41.10 from the trunk highway fund is \$187,000 in
41.11 each of fiscal years 2026 and 2027.

41.12 Sec. 13. Laws 2023, chapter 68, article 2, section 2, subdivision 9, as amended by Laws
41.13 2024, chapter 104, article 1, section 105, is amended to read:

41.14 Subd. 9. **U.S. Highway 8; Chisago County** 42,000,000

41.15 This appropriation is for predesign, design,
41.16 engineering, and reconstruction of marked
41.17 U.S. Highway 8 from Karmel Avenue in
41.18 Chisago City to marked Interstate Highway
41.19 35, including pedestrian and bike trails along
41.20 and crossings of this segment of marked U.S.
41.21 Highway 8. The reconstruction project may
41.22 include expanding segments of marked U.S.
41.23 Highway 8 to four lanes, constructing or
41.24 reconstructing frontage roads and backage
41.25 roads, and realigning local roads to
41.26 consolidate, remove, and relocate access onto
41.27 and off of U.S. Highway 8. This appropriation
41.28 is for the portion of the project that is eligible
41.29 for use of proceeds of trunk highway bonds.
41.30 Notwithstanding Minnesota Statutes, section
41.31 16A.642, the bond sale authorization and
41.32 appropriation of bond sale proceeds for this
41.33 project are available until December 31, 2029.

42.1 Sec. 14. Laws 2024, chapter 127, article 1, section 2, subdivision 3, is amended to read:

42.2 Subd. 3. **State Roads**

42.3 (a) **Operations and Maintenance** -0- 2,405,000

42.4 \$300,000 in fiscal year 2025 is for rumble
42.5 strips under Minnesota Statutes, section
42.6 161.1258.

42.7 \$1,000,000 in fiscal year 2025 is for
42.8 landscaping improvements located within
42.9 trunk highway rights-of-way ~~under the~~
42.10 ~~Department of Transportation's community~~
42.11 ~~roadside landscape partnership program~~, with
42.12 prioritization of tree planting as feasible.

42.13 \$1,000,000 is from the general fund for the
42.14 traffic safety camera pilot program under
42.15 Minnesota Statutes, section 169.147, and the
42.16 evaluation and legislative report under article
42.17 3, sections 116 and 117. With the approval of
42.18 the commissioner of transportation, any
42.19 portion of this appropriation is available to the
42.20 commissioner of public safety. This is a
42.21 onetime appropriation and is available until
42.22 June 30, 2029.

42.23 \$105,000 in fiscal year 2025 is for the cost of
42.24 staff time to coordinate with the Public
42.25 Utilities Commission relating to placement of
42.26 high voltage transmission lines along trunk
42.27 highways.

42.28 (b) **Program Planning and Delivery** -0- 5,800,000

42.29 \$3,000,000 in fiscal year 2025 is for
42.30 implementation and development of statewide
42.31 and regional travel demand modeling related
42.32 to the requirements under Minnesota Statutes,
42.33 section 161.178. This is a onetime

43.1 appropriation and is available until June 30,
43.2 2026.

43.3 \$800,000 in fiscal year 2025 is for one or more
43.4 grants to metropolitan planning organizations
43.5 outside the metropolitan area, as defined in
43.6 Minnesota Statutes, section 473.121,
43.7 subdivision 2, for modeling activities related
43.8 to the requirements under Minnesota Statutes,
43.9 section 161.178. Notwithstanding Minnesota
43.10 Statutes, section 16B.98, subdivision 14, the
43.11 commissioner must not use any amount of this
43.12 appropriation for administrative costs. This is
43.13 a onetime appropriation and is available until
43.14 June 30, 2026.

43.15 \$2,000,000 in fiscal year 2025 is to complete
43.16 environmental documentation and for
43.17 preliminary engineering and design for the
43.18 reconstruction of marked Trunk Highway 55
43.19 from Hennepin County State-Aid Highway
43.20 19, north of the city of Loretto to Hennepin
43.21 County Road 118 near the city of Medina.
43.22 This is a onetime appropriation and is
43.23 available until June 30, 2027.

43.24 **(c) State Road Construction** -0- 10,900,000

43.25 \$8,900,000 in fiscal year 2025 is for the
43.26 acquisition, environmental analysis, predesign,
43.27 design, engineering, construction,
43.28 reconstruction, and improvement of trunk
43.29 highway bridges, including design-build
43.30 contracts, program delivery, consultant usage
43.31 to support these activities, and the cost of
43.32 payments to landowners for lands acquired
43.33 for highway rights-of-way. Projects under this
43.34 appropriation must follow eligible investment
43.35 priorities identified in the Minnesota state

44.1 highway investment plan under Minnesota
44.2 Statutes, section 174.03, subdivision 1c. The
44.3 commissioner may use up to 17 percent of this
44.4 appropriation for program delivery. This is a
44.5 onetime appropriation and is available until
44.6 June 30, 2028.

44.7 \$1,000,000 in fiscal year 2025 is for predesign
44.8 and design of intersection safety improvements
44.9 along marked Trunk Highway 65 from the
44.10 interchange with marked U.S. Highway 10 to
44.11 99th Avenue Northeast in the city of Blaine.
44.12 This is a onetime appropriation.

44.13 \$1,000,000 in fiscal year 2025 is to design and
44.14 construct trunk highway improvements
44.15 associated with an interchange at U.S.
44.16 Highway 169, marked Trunk Highway 282,
44.17 and Scott County State-Aid Highway 9 in the
44.18 city of Jordan, including accommodations for
44.19 bicycles and pedestrians and for bridge and
44.20 road construction. This is a onetime
44.21 appropriation and is available until June 30,
44.22 2027.

44.23	(d) Highway Debt Service	-0-	468,000
-------	---------------------------------	-----	---------

44.24 This appropriation is for transfer to the state
44.25 bond fund. If this appropriation is insufficient
44.26 to make all transfers required in the year for
44.27 which it is made, the commissioner of
44.28 management and budget must transfer the
44.29 deficiency amount as provided under
44.30 Minnesota Statutes, section 16A.641, and
44.31 notify the chairs and ranking minority
44.32 members of the legislative committees with
44.33 jurisdiction over transportation finance and
44.34 the chairs of the senate Finance Committee
44.35 and the house of representatives Ways and

45.1 Means Committee of the amount of the
45.2 deficiency. Any excess appropriation cancels
45.3 to the trunk highway fund.

45.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

45.5 Sec. 15. Laws 2024, chapter 127, article 1, section 4, subdivision 3, is amended to read:

45.6 Subd. 3. **Traffic Safety** -0- 1,400,000

45.7 Notwithstanding Minnesota Statutes, section
45.8 299A.705, regarding the use of funds from
45.9 this account, \$1,200,000 in fiscal year 2025
45.10 is from the driver and vehicle services
45.11 operating account in the special revenue fund
45.12 for the Lights On grant program under
45.13 Minnesota Statutes, section 169.515. The
45.14 commissioner must contract with the Lights
45.15 On! microgrant program to administer and
45.16 operate the grant program. Notwithstanding
45.17 Minnesota Statutes, section 16B.98,
45.18 subdivision 14, the commissioner may use up
45.19 to two percent of this appropriation for
45.20 administrative costs. This is a onetime
45.21 appropriation and is available until June 30,
45.22 2026.

45.23 \$200,000 in fiscal year 2025 is from the
45.24 motorcycle safety account in the special
45.25 revenue fund for the public education
45.26 campaign on motorcycle operation under
45.27 article 3, section 122. This is a onetime
45.28 appropriation and is available until June 30,
45.29 2027.

45.30 Sec. 16. **ALLOCATION; METROPOLITAN COUNCIL; WASHINGTON AVENUE**
45.31 **PEDESTRIAN BRIDGE.**

45.32 (a) Of the revenue collected under Minnesota Statutes, section 297A.9915, and allocated
45.33 to the Metropolitan Council under Minnesota Statutes, section 473.4465, subdivision 2,

paragraph (a), clause (1), the Metropolitan Council must provide a grant of \$9,000,000 in fiscal year 2026 to the Board of Regents of the University of Minnesota to be spent in accordance with Minnesota Statutes, section 135A.046. This section is notwithstanding the provisions of Minnesota Statutes, section 473.4465, subdivision 3.

(b) This grant must be used to design and construct pedestrian enclosure and suicide deterrent barriers on the Washington Avenue Pedestrian Bridge on the Twin Cities campus, including temporary barrier improvements and permanent barriers. The board must consult with persons affected by suicide at this bridge, suicide prevention organizations, and experts in the field of suicide prevention in designing the project.

(c) Any amount allocated under this section and not used by June 30, 2027, cancels to the Metropolitan Council for its original purpose.

Sec. 17. ALLOCATION; METROPOLITAN COUNCIL; TRANSPORTATION MANAGEMENT ORGANIZATIONS.

(a) Of the revenue collected under Minnesota Statutes, section 297A.9915, and allocated to the Metropolitan Council under Minnesota Statutes, section 473.4465, subdivision 2, paragraph (a), clause (2), the Metropolitan Council must provide grants that total \$1,406,000 in fiscal year 2026 to transportation management organizations in the metropolitan area. This section is notwithstanding the provisions of Minnesota Statutes, section 473.4465, subdivision 3.

(b) The grants must be allocated as follows:

(1) \$600,000 to the I-494 Corridor Commission;

(2) \$600,000 to the St. Paul transportation management organization; and

(3) \$206,000 to the downtown Minneapolis transportation management organization.

ARTICLE 2
TRUNK HIGHWAY BONDS

Section 1. BOND APPROPRIATIONS.

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds account in the trunk highway fund to the commissioner of transportation or other named entity to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money appropriated in this article for a capital program or project may be used

47.1 to pay state agency staff costs that are attributed directly to the capital program or project
47.2 in accordance with accounting policies adopted by the commissioner of management and
47.3 budget.

47.4	<u>SUMMARY</u>	
47.5	<u>Department of Transportation</u>	<u>\$ 100,000,000</u>
47.6	<u>Department of Management and Budget</u>	<u>\$ 100,000</u>
47.7	<u>TOTAL</u>	<u>\$ 100,100,000</u>

47.8 APPROPRIATIONS

47.9 Sec. 2. STATE ROAD CONSTRUCTION \$ 100,000,000

47.10 This appropriation is to the commissioner of
47.11 transportation for construction, reconstruction,
47.12 and improvement of trunk highways, including
47.13 design-build contracts, internal department
47.14 costs associated with delivering the
47.15 construction program, and consultant usage
47.16 to support these activities. The commissioner
47.17 may use up to 17 percent of the amount for
47.18 program delivery.

47.19 Sec. 3. BOND SALE EXPENSES \$ 100,000

47.20 This appropriation is to the commissioner of
47.21 management and budget for bond sale
47.22 expenses under Minnesota Statutes, sections
47.23 16A.641, subdivision 8, and 167.50,
47.24 subdivision 4.

47.25 Sec. 4. BOND SALE AUTHORIZATION.

47.26 To provide the money appropriated in this article from the bond proceeds account in the
47.27 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
47.28 of the state in an amount up to \$100,100,000 in the manner, upon the terms, and with the
47.29 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
47.30 Constitution, article XIV, section 11, at the times and in the amounts requested by the
47.31 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
47.32 premium received from the sale of the bonds, must be deposited in the bond proceeds account
47.33 in the trunk highway fund.

ARTICLE 3

TRANSPORTATION FINANCE POLICY

Section 1. Minnesota Statutes 2024, section 4.076, subdivision 4, is amended to read:

Subd. 4. **Duties.** The advisory council must:

(1) advise the governor and heads of state departments and agencies on policies, programs, and services affecting traffic safety;

(2) advise the appropriate representatives of state departments on the activities of the Toward Zero Deaths program, including but not limited to educating the public about traffic safety;

(3) encourage state departments and other agencies to conduct needed research in the field of traffic safety;

(4) review recommendations of the subcommittees and working groups;

(5) review and comment on ~~all grants dealing with traffic safety and on~~ the development and implementation of state and local traffic safety plans; ~~and~~

(6) advise the commissioner of public safety on grant agreements for projects under subdivision 5, paragraph (g); and

(7) make recommendations on safe road zone safety measures under section 169.065.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2024, section 4.076, subdivision 5, is amended to read:

Subd. 5. **Administration.** (a) The Office of Traffic Safety in the Department of Public Safety, in cooperation with the Departments of Transportation and Health, must serve as the host agency for the advisory council and must manage the administrative and operational aspects of the advisory council's activities. The commissioner of public safety must perform financial management on behalf of the council.

(b) The advisory council must meet no less than four times per year, or more frequently as determined by the chair, a vice chair, or a majority of the council members. The advisory council is subject to chapter 13D. The advisory council may host an annual state traffic safety conference.

(c) The chair must regularly report to the respective commissioners on the activities of the advisory council and on the state of traffic safety in Minnesota.

(d) The terms, compensation, and appointment of members are governed by section 15.059.

(e) The advisory council may appoint subcommittees and working groups. Subcommittees must consist of council members. Working groups may include nonmembers. Nonmembers on working groups must be compensated pursuant to section 15.059, subdivision 3, only for expenses incurred for working group activities.

(f) The commissioner of public safety may enter into contracts and interagency agreements for data, expertise, and research projects to inform the advisory council.

(g) The commissioner of public safety may enter into grant agreements for projects that reduce serious and fatal injury crashes. Priority for grant awards must be given to local traffic safety coalitions. Local units of government, nonprofit organizations, law enforcement agencies, and educational institutions are also eligible for grant awards.

(h) For purposes of paragraph (g), "projects that reduce serious and fatal injury crashes" include but are not limited to the following activities:

(1) improvements to rural high-risk roads;

(2) traffic safety training for law enforcement;

(3) safe and sober rides home programming;

(4) the study of motorcycle operation under the circumstances specified in section 169.974, subdivision 5, paragraph (g);

(5) work zone safety and work zone redesign activities; and

(6) safe road zones.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2024, section 13.6905, subdivision 8, is amended to read:

Subd. 8. **Driver's license photograph; exceptions.** Allowing headwear or a medically required covering in a driver's license photograph or allowing driver's license identification other than a photograph, under certain circumstances, are governed under section 171.071.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2024, section 16A.88, subdivision 1a, is amended to read:

Subd. 1a. **Greater Minnesota transit account.** The greater Minnesota transit account is established within the transit assistance fund in the state treasury. Money in the account

is annually appropriated to the commissioner of transportation for assistance to transit systems outside the metropolitan area under section 174.24. The commissioner may use up to two percent of the available revenues in the account in each fiscal year for administration of the transit program. The commissioner ~~shall~~ must use the account for transit operations as provided in section 174.24 and related program administration. The commissioner may maintain a reserved balance in the account of no more than five percent of the total annual transit assistance fund balance forward from the previous fiscal year.

Sec. 5. Minnesota Statutes 2024, section 84.92, subdivision 8, is amended to read:

Subd. 8. **All-terrain vehicle or vehicle.** (a) "All-terrain vehicle" or "vehicle" means a motorized vehicle with: (1) not less than three, but not more than six ~~low-pressure or non-pneumatic~~ tires; (2) a total dry weight of ~~2,000~~ 3,000 pounds or less; and (3) a total width from outside of tire rim to outside of tire rim that is 65 inches or less. All-terrain vehicle includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle.

(b) All-terrain vehicle does not include an electric-assisted bicycle as defined in section 169.011, subdivision 27, golf cart, mini-truck, dune buggy, or go-cart or a vehicle designed and used specifically for lawn maintenance, agriculture, logging, or mining purposes.

Sec. 6. **[137.345] EMPOWERING SMALL MINNESOTA COMMUNITIES PROGRAM.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Program" means the empowering small Minnesota communities program established by the Board of Regents of the University of Minnesota.

(c) "Small community" means either a local unit of government having a population of fewer than 15,000 or a collaboration between more than one local unit of government each having a population of fewer than 15,000.

Subd. 2. **Program assistance.** (a) An empowering small Minnesota communities program is established to create small community partnership support and assistance for infrastructure project analysis and development in small communities. Funds appropriated to the program must be used as specified in subdivision 3.

(b) Support and assistance under the program must be prioritized for a small community that is a political subdivision or federally recognized Tribal government. Prioritization must

51.1 be based on insufficient capacity to undertake project development and apply for state or
51.2 federal infrastructure grants.

51.3 Subd. 3. **Uses.** (a) Program activities under the program include:

51.4 (1) project partnership activities in the Regional Sustainable Development Partnerships,
51.5 the Center for Transportation Studies, the Minnesota Design Center, the Humphrey School
51.6 of Public Affairs, the Center for Urban and Regional Affairs, or other related entities; and

51.7 (2) support and assistance to small communities including:

51.8 (i) methods to incorporate consideration of sustainability, resiliency, and adaptation to
51.9 the impacts of climate change; and

51.10 (ii) identification and cross-sector analysis of any potential associated projects and
51.11 efficiencies through coordinated investments in other infrastructure or assets.

51.12 (b) An agreement with a small community may provide for infrastructure project analysis
51.13 and development activities including but not limited to planning, scoping, analysis, predesign,
51.14 and design.

51.15 Subd. 4. **Program information.** The Board of Regents must maintain information about
51.16 the program on a website that includes but is not limited to the following:

51.17 (1) a review of the program and implementation;

51.18 (2) a summary of projects under the program;

51.19 (3) financial information that identifies sources and uses of funds; and

51.20 (4) direction on applications for partnership assistance.

51.21 Sec. 7. Minnesota Statutes 2024, section 160.165, is amended to read:

51.22 **160.165 MITIGATING TRANSPORTATION PROJECT IMPACTS ON**
51.23 **BUSINESS.**

51.24 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
51.25 the meanings given:

51.26 (b) "Business impairment" has the meaning given in section 160.167, subdivision 1.

51.27 ~~(c)~~ (c) "Project" means construction work to maintain, construct, reconstruct, or improve
51.28 a street or highway or for a rail transit project;

~~(2)~~ (d) "Substantial business impacts" means business impairment of road access, parking, or visibility for one or more business establishments as a result of a project, for a ~~minimum~~ period of at least one month; and.

~~(3)~~ (e) "Transportation authority" means the commissioner, as to trunk highways; the county board, as to county state-aid highways and county highways; the town board, as to town roads; statutory or home rule charter cities, as to city streets; the Metropolitan Council, for rail transit projects located entirely within the metropolitan area as defined in section 473.121, subdivision 2; and the commissioner, for all other rail transit projects.

Subd. 2. **Business liaison.** (a) Before beginning construction work on a project, a transportation authority ~~shall~~ must identify whether the project is anticipated to include substantial business impacts. For such projects, the transportation authority ~~shall~~ must designate an individual to serve as business liaison between the transportation authority and affected businesses.

(b) The business liaison ~~shall~~ must consult with affected businesses before and during construction to investigate and recommend means of mitigating project impacts to businesses. The mitigation considered must include signage. The business liaison ~~shall~~ must provide information to the identified businesses before and during construction, concerning project duration and timetables, lane and road closures, detours, access impacts, customer parking impacts, visibility, noise, dust, vibration, and public participation opportunities.

(c) The business liaison must inform affected businesses about potential opportunities for small business technical and financial assistance, including those available through the Department of Employment and Economic Development, the Small Business Administration, and area community development financial institutions. When requested, the business liaison must assist affected businesses to access and apply for appropriate assistance programs.

Subd. 4. **Construction communication plan.** (a) A transportation authority must implement a construction communication plan for each project in which a business liaison is required under subdivision 2. The transportation authority must develop the plan in consultation with the business liaison during project development.

(b) At a minimum, the communication plan must include:

(1) identification of methods to distribute project information;

(2) procedures to distribute construction-related notices to affected businesses, tenants, and other property owners;

(3) development of information on the project, including but not limited to the information specified under subdivision 2, paragraphs (b) and (c); opportunities under subdivision 2, paragraph (c); and, as appropriate, potential financial assistance under the local business construction impacts assistance program under section 160.167; and

(4) a schedule and milestones for issuance of project updates, including but not limited to immediately prior to commencement of construction work and following any change in the scheduled date of substantial completion of the project.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects in which construction first commences on or after November 1, 2025.

Sec. 8. [160.167] LOCAL BUSINESS CONSTRUCTION IMPACTS ASSISTANCE PROGRAM.

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Business entity" includes but is not limited to an individual, partnership, corporation, joint venture, association, or cooperative.

(c) "Business impairment" means impairment to a business establishment or nonprofit organization of at least one of the following:

(1) access to a retail location from:

(i) a project that is on a road that abuts the location and includes partial or full closure of the road within 1,000 feet of the location; or

(ii) more than one simultaneous project on a road that abuts the location in which a portion of each project (A) is within two miles of the location, and (B) includes partial or full closure of the road; or

(2) visibility of the primary identifying signage or entrance.

(d) "Covered project" means a project to maintain, construct, reconstruct, or improve a trunk highway within a statutory or home rule charter city, a county state-aid highway, a municipal state-aid street, a transitway, or a combination.

(e) "Extensive business impacts" means business impairment as a result of a covered project for a period of at least 60 days.

(f) "Program" means the local business construction impacts assistance program established in this section.

54.1 (g) "Transportation authority" means either:

54.2 (1) the commissioner of transportation for a trunk highway within a statutory or home
54.3 rule charter city, a county state-aid highway, a municipal state-aid street, or a combination;
54.4 or

54.5 (2) the Metropolitan Council for a transitway located entirely within the metropolitan
54.6 area as defined in section 473.121, subdivision 2.

54.7 Subd. 2. **Program established.** The commissioner must establish a program for financial
54.8 assistance to eligible entities adversely impacted by street, highway, or transitway
54.9 construction activity on covered projects.

54.10 Subd. 3. **Administration.** The commissioner must establish program requirements,
54.11 including application procedures that minimize applicant burdens, eligibility criteria for
54.12 recipients, qualifications for determining business impairment, program allocation amounts
54.13 from project costs, the distribution amount and formula used to determine the distribution
54.14 amount, and procedures for distribution of financial assistance. The commissioner must
54.15 implement the program to provide financial assistance payments in a timely manner that
54.16 are, to the extent practicable, before or during the time period of the extensive business
54.17 impacts.

54.18 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
54.19 applies to projects in which construction first commences on or after October 1, 2025.

54.20 Sec. 9. Minnesota Statutes 2024, section 161.045, is amended to read:

54.21 **161.045 HIGHWAY USER TAX DISTRIBUTION FUND APPROPRIATIONS;**
54.22 **TRUNK HIGHWAY FUND APPROPRIATIONS.**

54.23 Subdivision 1. ~~**Definition**~~ **Definitions.** (a) For purposes of this section, the following
54.24 terms have the meanings given.

54.25 (b) "Commissioner" means any commissioner of a state agency that either proposes to
54.26 spend or spends funds out of the highway user tax distribution fund or the trunk highway
54.27 fund.

54.28 (c) "Highway purposes" includes but is not limited to:

54.29 (1) construction, improvement, maintenance, and operations of a highway;

54.30 (2) multimodal infrastructure within a highway right-of-way related to any of the
54.31 following: (i) transit; (ii) active transportation; and (iii) reduction of greenhouse gas
54.32 emissions; and

55.1 (3) activities directly related to, or necessary to administer or support, the purposes
55.2 specified in clauses (1) and (2).

55.3 (d) "Trunk highway purposes" includes but is not limited to highway purposes for the
55.4 trunk highway system.

55.5 Subd. 2. **General expenditure requirements.** A commissioner may expend highway
55.6 user tax distribution funds only for highway purposes and may expend trunk highway funds
55.7 only for trunk highway purposes.

55.8 Subd. 3. **Limitations on spending.** (a) A commissioner must not pay for any of the
55.9 following with funds from the highway user tax distribution fund or the trunk highway fund:

55.10 (1) Bureau of Criminal Apprehension laboratory;

55.11 (2) Explore Minnesota Tourism kiosks;

55.12 ~~(3) Minnesota Safety Council;~~

55.13 ~~(4) driver education programs;~~

55.14 ~~(5)~~ (3) Office of Emergency Medical Services;

55.15 ~~(6)~~ (4) Mississippi River Parkway Commission;

55.16 ~~(7)~~ (5) payments to the Department of Information Technology Services in excess of
55.17 actual costs incurred for trunk highway purposes;

55.18 ~~(8)~~ (6) personnel costs incurred on behalf of the governor's office;

55.19 ~~(9)~~ (7) the Office of Aeronautics within the Department of Transportation;

55.20 ~~(10) the Office of Transit and Active Transportation within the Department of~~
55.21 ~~Transportation;~~

55.22 ~~(11) the Office of Passenger Rail;~~

55.23 ~~(12)~~ (8) purchase and maintenance of soft body armor under section 299A.38;

55.24 ~~(13)~~ (9) tourist information centers;

55.25 ~~(14)~~ (10) parades, events, or sponsorships of events;

55.26 ~~(15) the installation, construction, expansion, or maintenance of public electric vehicle~~
55.27 ~~infrastructure;~~

55.28 ~~(16)~~ (11) the statewide notification center for excavation services pursuant to chapter
55.29 216D; and

56.1 ~~(17)~~ (12) manufacturing license plates.

56.2 (b) The prohibition in paragraph (a) includes all expenses for the named entity or program,
56.3 including but not limited to payroll, purchased services, supplies, repairs, and equipment.
56.4 This prohibition on spending applies to any successor entities or programs that are
56.5 substantially similar to the entity or program named in this subdivision.

56.6 Sec. 10. Minnesota Statutes 2024, section 161.088, subdivision 2, is amended to read:

56.7 Subd. 2. **Program authority; funding.** (a) As provided in this section, the commissioner
56.8 must establish a corridors of commerce program for trunk highway construction,
56.9 reconstruction, and improvement, including maintenance operations, that improves commerce
56.10 in the state.

56.11 (b) The commissioner may expend funds under the program from appropriations to the
56.12 commissioner that are:

56.13 (1) made specifically by law for use under this section;

56.14 (2) reallocated efficiency savings from section 174.53, paragraph (b);

56.15 (3) at the discretion of the commissioner, made for the budget activities in the state roads
56.16 program of operations and maintenance, program planning and delivery, or state road
56.17 construction; and

56.18 ~~(3)~~ (4) made for the corridor investment management strategy program, unless specified
56.19 otherwise.

56.20 (c) The commissioner must include in the program the cost participation policy for local
56.21 units of government.

56.22 (d) The commissioner may use up to 17 percent of any appropriation under this section
56.23 for program delivery and for project scoring, ranking, and selection under subdivision 5.

56.24 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to funds
56.25 reallocated on or after that date.

56.26 Sec. 11. Minnesota Statutes 2024, section 161.115, subdivision 177, is amended to read:

56.27 Subd. 177. **Route No. 246.** Beginning at a point in or adjacent to Nerstrand; thence
56.28 extending in a general northerly direction to a point westerly of Dennison; thence continuing
56.29 in a general northwesterly direction to a point ~~on Route No. 1 at or~~ near 110th Street East
56.30 near Northfield.

57.1 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
57.2 transportation notifies the revisor of statutes electronically or in writing of the effective
57.3 date.

57.4 Sec. 12. Minnesota Statutes 2024, section 161.14, is amended by adding a subdivision to
57.5 read:

57.6 Subd. 108. **Officer Jason B. Meyer Memorial Highway.** The segment of marked U.S.
57.7 Highway 63 from the intersection with marked Trunk Highway 16 to the southerly city
57.8 limit of Racine is designated as "Officer Jason B. Meyer Memorial Highway." Subject to
57.9 section 161.139, the commissioner must adopt a suitable design to mark this highway and
57.10 erect appropriate signs.

57.11 Sec. 13. Minnesota Statutes 2024, section 161.14, is amended by adding a subdivision to
57.12 read:

57.13 Subd. 109. **Elmstrand * Finseth * Ruge Heroes Memorial Bridge.** The bridge on
57.14 Burnsville Parkway over marked Interstate Highway 35W in the city of Burnsville is
57.15 designated as "Elmstrand * Finseth * Ruge Heroes Memorial Bridge." Subject to section
57.16 161.139, the commissioner must adopt a suitable design to mark this highway and erect
57.17 appropriate signs.

57.18 Sec. 14. **[161.1611] PURPOSE AND NEED STATEMENT CONTEXTUAL**
57.19 **DEVELOPMENT REQUIREMENTS; SCOPING PROCESS REQUIRED.**

57.20 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
57.21 meanings given:

57.22 (1) "planning worksheet scoping guide" means a checklist of considerations developed
57.23 by the commissioner to consider with stakeholders for determining a project's scope in the
57.24 scoping document;

57.25 (2) "project" means the scoping, assessment, study, or other analysis activity designed
57.26 to identify or provide for development of a trunk highway project;

57.27 (3) "purpose and need" is a statement by the department to explain why a proposed
57.28 action is being undertaken and its objectives by:

57.29 (i) identifying the need as a transportation problem or deficiency; and

57.30 (ii) identifying the purpose as a broad statement of the intended transportation result and
57.31 other related objectives to be achieved by a proposed transportation improvement; and

(4) "scoping document" means a document that identifies all potential options with the purpose of narrowing the number of alternatives to those that should be evaluated in the environmental impact statement as part of the project.

Subd. 2. **Application.** (a) The requirements in this section apply to a project that:

(1) involves construction, reconstruction, bridge replacement, increases or reductions in highway traffic capacity, alteration of access, or acquisitions of permanent right-of-way; or

(2) requires an environmental impact statement under chapter 116D for the project.

(b) Except for a project under paragraph (a), clause (1), the requirements in this section do not apply to reconditioning, resurfacing, milling, overlays, preventive maintenance, other routine roadway maintenance activities or projects, and associated set-asides.

Subd. 3. **Purpose and need.** (a) A purpose and need statement developed for a project must not identify a specific improvement as the need to avoid premature determination of investment approaches available for the project. Purpose and need statements must consider all possible approaches for a project and address the safety and access of all users of the transportation system.

(b) The commissioner must ensure that a purpose and need statement for a project can assess whether the need for a project is substantial enough to warrant investment inclusion in the state transportation improvement program, including relaxing expectations around the use of level-of-service metrics as the primary need for a project's development.

(c) The commissioner must incorporate multidisciplinary review processes under section 174.742 into the development of a context-specific purpose and need statement.

Subd. 4. **Scope; required before inclusion.** (a) The commissioner must require the use of a context-specific scoping document to identify the needs for a project before the project's inclusion in the state highway investment program. The scope document must conform with any adopted guidance by the commissioner and must:

(1) include a checklist of interested stakeholders to engage in the planning, design, and development of projects;

(2) recognize the degrees of variability and complexity across different project types; and

(3) require a context and modal accommodation analysis to:

(i) determine what modes of transportation are appropriate for the project corridor;

59.1 (ii) structure and document discussions around tradeoffs during early project development;
59.2 (iii) establish a suggested baseline for which modes should be prioritized based on the
59.3 roadway type and land use context; and

59.4 (iv) provide a series of factors and questions to consider that would raise or lower the
59.5 priority of each mode.

59.6 (b) Before finalization of any scoping document or draft scoping document for a project,
59.7 the commissioner must require a coordination field visit and walking audit of the project
59.8 corridor. To implement the requirements of this paragraph, the commissioner must develop
59.9 guidance on coordinated field visits to:

59.10 (1) begin the initial engagement process with stakeholders for projects;

59.11 (2) provide guidance on what staff should identify in observing current conditions for
59.12 all modes of travel and the surrounding land use; and

59.13 (3) coordinate across different jurisdictions to ensure collaboration and field visits at
59.14 similar times in the project timeline.

59.15 Subd. 5. **Implementation.** The commissioner must implement the requirements of this
59.16 section in a manner that does not conflict with the requirements under chapter 116D and
59.17 the National Environmental Policy Act under United States Code, title 42, chapter 55.

59.18 **EFFECTIVE DATE.** Subdivisions 1, 2, 3, and 5 are effective March 1, 2027, for
59.19 projects on or after that date. Subdivision 4 is effective July 1, 2025, for projects scoped on
59.20 or after that date.

59.21 Sec. 15. Minnesota Statutes 2024, section 162.02, is amended by adding a subdivision to
59.22 read:

59.23 Subd. 1a. **State-aid standards.** Design and engineering standards for all new construction,
59.24 reconstruction, rehabilitation, or resurfacing county state-aid projects approved by the
59.25 state-aid engineer are determined and set by the most recent edition of the Facility Design
59.26 Guide or successor document established by the commissioner.

59.27 **EFFECTIVE DATE.** This section is effective July 1, 2025, for county state-aid roadway
59.28 projects on or after that date.

59.29 Sec. 16. Minnesota Statutes 2024, section 162.02, subdivision 3a, is amended to read:

59.30 Subd. 3a. **Variances from rules and engineering standards.** (a) The commissioner
59.31 may grant variances from the rules and from the engineering standards developed pursuant

to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway. The commissioner ~~shall~~ must comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) The commissioner may grant or deny the variance within 30 days of receiving the variance request. If the variance is denied, the political subdivision may request, within 30 days of receiving notice of denial, and ~~shall~~ must be granted a contested case hearing. The commissioner must use the criteria set forth in subdivision 3c to evaluate the variance request.

(c) If the commissioner denies a variance, the commissioner must notify the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and provide justification for denying the variance within 30 days of notifying the political subdivision of the denial. The justification must include the commissioner's reasoning for the denial, the recommendation of the advisory committee on variances, and the reasoning used by the committee to approve or deny the variance.

~~(e)~~ (d) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

(e) The commissioner must give special consideration to proposed modifications for:

(1) narrowing lanes from 11 feet to ten feet for roadways in an urban or suburban context;

(2) designs allowed by current Department of Transportation trunk highway standards for roadways of similar context;

(3) a proposed design intended to increase the safety of nonmotorized transportation to and from a school;

(4) any design element in a project funded by the safe routes to school program, except where specifically prohibited in the current Department of Transportation Facility Design Guide; or

(5) a variance request that specifically states the proposed design modification is based on the following alternative design manuals:

(i) the American Association of State Highway and Transportation Officials' (AASHTO) A Policy on Geometric Design Highways and Streets or other AASHTO design guides formally recognized by the Federal Highway Administration;

61.1 (ii) the Institute of Transportation Engineers' Designing Walkable Urban Thoroughfares:
61.2 A Context Sensitive Approach and Implementing Context Sensitive Design Handbook;

61.3 (iii) the National Association of City Transportation Officials' (NACTO) Urban Street
61.4 Design Guide and other NACTO design guides formally recognized by the Federal Highway
61.5 Administration;

61.6 (iv) the Global Designing Cities Initiative's (GDCI) Global Street Design Guide and
61.7 Designing Streets for Kids supplement; or

61.8 (v) any other design guide recognized or approved by the Federal Highway
61.9 Administration in United States Code, title 23, section 109(o)(B).

61.10 (f) Paragraph (e) does not apply to a natural preservation route established under section
61.11 162.021.

61.12 **EFFECTIVE DATE.** This section is effective July 1, 2025, for county state-aid roadway
61.13 projects on or after that date.

61.14 Sec. 17. Minnesota Statutes 2024, section 162.02, is amended by adding a subdivision to
61.15 read:

61.16 Subd. 3c. **Variance format.** To submit a formal request for a variance from applicable
61.17 design standards under subdivision 1a, a political subdivision must submit a written request
61.18 to the commissioner. The written request must be in the form of an adopted resolution. The
61.19 request must:

61.20 (1) identify the project by location and termini;

61.21 (2) cite the specific part or standard for which the variance is requested from county
61.22 state-aid design rules;

61.23 (3) describe the proposed modification and include technical information about the
61.24 design, including:

61.25 (i) an index map; and

61.26 (ii) a typical section with an inplace section and a proposed section;

61.27 (4) describe the economic, social, safety, and environmental impacts that may result
61.28 from the requested variance;

61.29 (5) identify the project's effectiveness in eliminating an existing and projected deficiency
61.30 in the transportation system, including identifying and citing whether the existing roadway's

62.1 design meets a recognized or approved Federal Highway Administration design guide
62.2 standard for a similar road context;

62.3 (6) identify effects on adjacent lands;

62.4 (7) identify the number of persons affected; and

62.5 (8) identify relevant safety considerations as they apply to:

62.6 (i) pedestrians;

62.7 (ii) bicyclists;

62.8 (iii) vulnerable road users;

62.9 (iv) the motoring public; and

62.10 (v) fire, police, and emergency service providers.

62.11 **EFFECTIVE DATE.** This section is effective July 1, 2025, for county state-aid roadway
62.12 projects on or after that date.

62.13 Sec. 18. Minnesota Statutes 2024, section 162.09, is amended by adding a subdivision to
62.14 read:

62.15 Subd. 1a. **State-aid standards.** Design and engineering standards for all new construction,
62.16 reconstruction, rehabilitation, or resurfacing municipal state-aid projects approved by the
62.17 state-aid engineer are determined and set by the most recent edition of the Facility Design
62.18 Guide or successor document established by the commissioner.

62.19 **EFFECTIVE DATE.** This section is effective July 1, 2025, for municipal state-aid
62.20 roadway projects on or after that date.

62.21 Sec. 19. Minnesota Statutes 2024, section 162.09, subdivision 3a, is amended to read:

62.22 Subd. 3a. **Variances from rules and engineering standards.** (a) The commissioner
62.23 may grant variances from the rules and from the engineering standards developed pursuant
62.24 to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street
62.25 is located or is proposed to be located may submit a written request to the commissioner
62.26 for a variance for that street. The commissioner ~~shall~~ must comply with section 174.75,
62.27 subdivision 5, in evaluating a variance request related to a complete streets project.

62.28 (b) The commissioner may grant or deny the variance within 30 days of receiving the
62.29 variance request. If the variance is denied, the political subdivision may request, within 30
62.30 days of receiving notice of denial, and ~~shall~~ must be granted a contested case hearing. The

63.1 commissioner must use the criteria set forth in subdivision 3b to evaluate the variance
63.2 request.

63.3 (c) If the commissioner denies a variance, the commissioner must notify the chairs and
63.4 ranking minority members of the legislative committees with jurisdiction over transportation
63.5 and provide justification for denying the variance within 30 days of notifying the political
63.6 subdivision of the denial. The justification must include the commissioner's reasoning for
63.7 the denial, the recommendation of the advisory committee on variances, and the reasoning
63.8 used by the committee to approve or deny the variance.

63.9 ~~(e)~~ (d) For purposes of this subdivision, "political subdivision" includes (1) an agency
63.10 of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

63.11 (e) The commissioner must give special consideration to proposed modifications for:

63.12 (1) narrowing lanes from 11 feet to ten feet for roadways in an urban or suburban context;

63.13 (2) designs allowed by current Department of Transportation trunk highway standards
63.14 for roadways of similar context;

63.15 (3) a proposed design intended to increase the safety of nonmotorized transportation to
63.16 and from a school;

63.17 (4) any design element in a project funded by the safe routes to school program, except
63.18 where specifically prohibited in the current Department of Transportation Facility Design
63.19 Guide; or

63.20 (5) a variance request that specifically states the proposed design modification is based
63.21 on the following alternative design manuals:

63.22 (i) the American Association of State Highway and Transportation Officials' (AASHTO)
63.23 A Policy on Geometric Design Highways and Streets or other AASHTO design guides
63.24 formally recognized by the Federal Highway Administration;

63.25 (ii) the Institute of Transportation Engineers' Designing Walkable Urban Thoroughfares:
63.26 A Context Sensitive Approach and Implementing Context Sensitive Design Handbook;

63.27 (iii) the National Association of City Transportation Officials' (NACTO) Urban Street
63.28 Design Guide and other NACTO design guides formally recognized by the Federal Highway
63.29 Administration;

63.30 (iv) the Global Designing Cities Initiative's (GDCl) Global Street Design Guide and
63.31 Designing Streets for Kids supplement; or

64.1 (v) any other design guide recognized or approved by the Federal Highway

64.2 Administration in United States Code, title 23, section 109(o)(B).

64.3 **EFFECTIVE DATE.** This section is effective July 1, 2025, for municipal state-aid

64.4 roadway projects on or after that date.

64.5 Sec. 20. Minnesota Statutes 2024, section 162.09, is amended by adding a subdivision to
64.6 read:

64.7 Subd. 3b. **Variance format.** To submit a formal request for a variance from municipal
64.8 state-aid design rules, a political subdivision must submit a written request to the
64.9 commissioner. The written request must be in the form of an adopted resolution. The request
64.10 must:

64.11 (1) identify the project by location and termini;

64.12 (2) cite the specific part or standard for which the variance is requested from municipal
64.13 state-aid design rules;

64.14 (3) describe the proposed modification and include technical information about the
64.15 design, including:

64.16 (i) an index map; and

64.17 (ii) a typical section with an inplace section and a proposed section;

64.18 (4) describe the economic, social, safety, and environmental impacts that may result
64.19 from the requested variance;

64.20 (5) identify the effectiveness of the project in eliminating an existing and projected
64.21 deficiency in the transportation system, including identifying and citing whether the existing
64.22 roadway's design meets a recognized or approved Federal Highway Administration design
64.23 guide standard for a similar road context;

64.24 (6) identify effects on adjacent lands;

64.25 (7) identify the number of persons affected; and

64.26 (8) identify relevant safety considerations as they apply to:

64.27 (i) pedestrians;

64.28 (ii) bicyclists;

64.29 (iii) vulnerable road users;

64.30 (iv) the motoring public; and

65.1 (v) fire, police, and emergency service providers.

65.2 **EFFECTIVE DATE.** This section is effective July 1, 2025, for municipal state-aid
65.3 roadway projects on or after that date.

65.4 Sec. 21. **[162.095] ADVISORY COMMITTEE ON DESIGN VARIANCES.**

65.5 Subdivision 1. **Establishment.** An advisory committee on design variances is established
65.6 to investigate and determine a recommendation for each variance submitted under sections
65.7 162.02, subdivision 3a, and 162.09, subdivision 3a.

65.8 Subd. 2. **Membership.** (a) The advisory committee on design variances called by the
65.9 commissioner under subdivision 3 must consist of the following members:

65.10 (1) not more than two county highway engineers, only one of whom may be from a
65.11 county containing a city of the first class;

65.12 (2) not more than two city engineers, only one of whom may be from a city of the first
65.13 class;

65.14 (3) not more than two county officials, only one of whom may be from a county
65.15 containing a city of the first class;

65.16 (4) not more than two officials of an urban municipality, only one of whom may be from
65.17 a city of the first class;

65.18 (5) not more than two representatives of the Office of Transit and Active Transportation
65.19 in the Department of Transportation, one of whom must be an engineer; and

65.20 (6) one representative from the State Aid for Local Transportation Office in the
65.21 Department of Transportation with experience in project design and the safety factors
65.22 specified in sections 162.02, subdivision 3c, and 162.09, subdivision 3b.

65.23 (b) No elected or appointed official that represents a political subdivision may serve on
65.24 the committee.

65.25 (c) The committee must have at least one member but not more than 12 members from
65.26 a metropolitan area as defined in section 473.121, subdivision 2, as well as cities with a
65.27 population over 50,000 according to the most recent federal census.

65.28 Subd. 3. **Operating procedure; open meeting law.** (a) The advisory committee must
65.29 meet at the call of the commissioner, at which time the committee must be instructed as to
65.30 the committee's responsibilities by a designee of the commissioner. The members of the

66.1 advisory committee must elect a chair from the members of the group at the initial meeting
66.2 and may set bylaws and procedures to investigate the requested variance.

66.3 (b) An advisory committee organized under this section is subject to the Minnesota Open
66.4 Meeting Law under chapter 13D.

66.5 Subd. 4. **Factors considered.** The advisory committee must make a recommendation
66.6 for a variance based on criteria set forth in sections 162.02, subdivision 3c, and 162.09,
66.7 subdivision 3b. The advisory committee must give special consideration to safety if the
66.8 proposed project design is intended to increase the safety of nonmotorized transportation
66.9 to and from a school.

66.10 Subd. 5. **Recommendation.** After considering all data pertinent to the requested variance,
66.11 the advisory committee must recommend to the commissioner approval or denial of the
66.12 request. If the committee denies the variance, the committee must provide specific reasoning
66.13 for the denial and identify the design standard used to evaluate the denial.

66.14 Subd. 6. **Administration.** Upon request of the advisory committee, the commissioner
66.15 must provide meeting space, technical support, and administrative services for the group.

66.16 Subd. 7. **Legislative report.** By January 15 of each even-numbered year, the
66.17 commissioner of transportation must submit a report to the chairs and ranking minority
66.18 members of the legislative committees with jurisdiction over transportation policy and
66.19 finance. The report must summarize the activities of any advisory committee on variances
66.20 from the prior two years, identify each committee's analysis and findings for each variance
66.21 approved or denied, identify whether the commissioner and an advisory committee came
66.22 to a different decision on a requested variance and identify the reasons for the difference,
66.23 and provide recommendations on improvements to the advisory committee process.

66.24 **EFFECTIVE DATE.** This section is effective July 1, 2025, for state-aid design variances
66.25 sought on or after that date.

66.26 Sec. 22. Minnesota Statutes 2024, section 162.155, is amended to read:

66.27 **162.155 RULEMAKING.**

66.28 ~~(a) The commissioner shall adopt rules setting forth the criteria to be considered by the~~
66.29 ~~commissioner in evaluating requests for variances under sections 162.02, subdivision 3a~~
66.30 ~~and 162.09, subdivision 3a. The rules must include, but are not limited to, economic,~~
66.31 ~~engineering and safety guidelines.~~

67.1 ~~(b)~~ (a) The commissioner shall adopt rules establishing the engineering standards for
67.2 cost estimation under sections 162.07, subdivision 2, and 162.13, subdivision 2.

67.3 ~~(e)~~ (b) The rules adopted by the commissioner under this section, and sections 162.02;
67.4 162.07, subdivision 2; 162.09; and 162.13, subdivision 2, are exempt from the rulemaking
67.5 provisions of chapter 14. The rules are subject to section 14.386, except that, notwithstanding
67.6 paragraph (b) of that section, the rules continue in effect until repealed or superseded by
67.7 other law or rule.

67.8 Sec. 23. **[162.175] LOCAL GOVERNMENT ROAD FUNDING GAP ASSISTANCE.**

67.9 Subdivision 1. Local government road funding gap assistance account. A local
67.10 government road funding gap assistance account is created in the special revenue fund. The
67.11 account consists of money donated, allotted, transferred, or otherwise provided to the
67.12 account. Money in the account is annually appropriated to the commissioner of transportation
67.13 and may only be expended as provided under this section. Notwithstanding section 16B.98,
67.14 subdivision 14, the commissioner must not use any amount of this appropriation for
67.15 administrative costs.

67.16 Subd. 2. Distribution. (a) The commissioner must annually distribute, transfer, or grant
67.17 the available money in the local government road funding gap assistance account equally
67.18 among all eligible recipients. Money distributed under this section is available only for
67.19 design, engineering, construction, reconstruction, and maintenance of roads solely under
67.20 the jurisdiction of the recipient.

67.21 (b) For purposes of this section, "eligible recipient" or "recipient" means a political
67.22 subdivision that:

67.23 (1) has a directly elected governing board;

67.24 (2) maintains sole jurisdiction over a roadway system;

67.25 (3) does not receive direct dedicated funding under section 16A.88, 162.07, 162.13,
67.26 162.145, 162.146, or 297A.9915; and

67.27 (4) either:

67.28 (i) has a population greater than 10,000 according to the last two federal decennial
67.29 censuses; or

67.30 (ii) is contained within a city of the first class.

68.1 Sec. 24. Minnesota Statutes 2024, section 168.013, subdivision 1m, is amended to read:

68.2 Subd. 1m. **Electric vehicle.** ~~In addition to the tax under subdivision 1a~~ (a) Subject to
68.3 paragraph (b), a surcharge of ~~\$75~~ \$200 is imposed for an all-electric vehicle, as defined in
68.4 section 169.011, subdivision 1a. The surcharge is in addition to the tax under subdivision
68.5 1a.

68.6 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
68.7 surcharge under this subdivision, which applies to taxes payable for a registration period
68.8 starting on or after the following January 1. Each adjusted surcharge must:

68.9 (1) equal:

68.10 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
68.11 multiplied by

68.12 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
68.13 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
68.14 compared to the rate to be imposed on the following January 1; and

68.15 (2) be rounded to the nearest whole dollar.

68.16 (c) Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision
68.17 must be deposited in the highway user tax distribution fund.

68.18 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
68.19 on or after that date.

68.20 Sec. 25. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision
68.21 to read:

68.22 Subd. 1n. **Plug-in hybrid electric vehicle.** (a) Subject to paragraph (b), a surcharge of
68.23 \$100 is imposed for a plug-in hybrid electric vehicle as defined in section 169.011,
68.24 subdivision 54a. The surcharge is in addition to the tax under subdivision 1a.

68.25 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
68.26 surcharge under this subdivision, which applies to taxes payable for a registration period
68.27 starting on or after the following January 1. Each adjusted surcharge must:

68.28 (1) equal:

68.29 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
68.30 multiplied by

69.1 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
69.2 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
69.3 compared to the rate to be imposed on the following January 1; and

69.4 (2) be rounded to the nearest whole dollar.

69.5 (c) Notwithstanding subdivision 8, revenue from the surcharge imposed under this
69.6 subdivision must be deposited in the highway user tax distribution fund.

69.7 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
69.8 on or after that date.

69.9 Sec. 26. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision
69.10 to read:

69.11 Subd. 1o. **All-electric motorcycle.** (a) Subject to paragraph (b), a surcharge of \$40 is
69.12 imposed for an all-electric motorcycle as defined in section 169.011, subdivision 1b. The
69.13 surcharge is in addition to the tax under subdivision 1b.

69.14 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
69.15 surcharge under this subdivision, which applies to taxes payable for a registration period
69.16 starting on or after the following January 1. Each adjusted surcharge must:

69.17 (1) equal:

69.18 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
69.19 multiplied by

69.20 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
69.21 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
69.22 compared to the rate to be imposed on the following January 1; and

69.23 (2) be rounded to the nearest whole dollar.

69.24 (c) Notwithstanding subdivision 8, revenue from the surcharge imposed under this
69.25 subdivision must be deposited in the highway user tax distribution fund.

69.26 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
69.27 on or after that date.

70.1 Sec. 27. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision
70.2 to read:

70.3 Subd. 1p. **Plug-in hybrid electric motorcycle.** (a) Subject to paragraph (b), a surcharge
70.4 of \$20 is imposed for a plug-in hybrid electric motorcycle as defined in section 169.011,
70.5 subdivision 54c. The surcharge is in addition to the tax under subdivision 1b.

70.6 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
70.7 surcharge under this subdivision, which applies to taxes payable for a registration period
70.8 starting on or after the following January 1. Each adjusted surcharge must:

70.9 (1) equal:

70.10 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
70.11 multiplied by

70.12 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
70.13 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
70.14 compared to the rate to be imposed on the following January 1; and

70.15 (2) be rounded to the nearest whole dollar.

70.16 (c) Notwithstanding subdivision 8, revenue from the surcharge imposed under this
70.17 subdivision must be deposited in the highway user tax distribution fund.

70.18 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
70.19 on or after that date.

70.20 Sec. 28. Minnesota Statutes 2024, section 168.091, is amended to read:

70.21 **168.091 31-DAY 60-DAY TEMPORARY VEHICLE PERMIT.**

70.22 Subdivision 1. **Nonresident buyer.** (a) Upon payment of a fee of \$1, the commissioner
70.23 may issue a permit to a nonresident purchasing a vehicle in this state for the sole purpose
70.24 of allowing the vehicle to be removed from this state.

70.25 (b) The permit is in lieu of any other registration or taxation for use of the highways and
70.26 is valid for a period of ~~31~~ 60 days from the date of sale, trade, or gift.

70.27 (c) The permit must be available in an electronic format as determined by the
70.28 commissioner.

70.29 (d) If the sale, gift, or trade information is electronically transmitted to the commissioner
70.30 by a dealer or deputy registrar of motor vehicles, the \$1 fee is waived.

71.1 (e) The permit must be affixed to the rear of the vehicle where it is plainly visible. Each
71.2 permit is valid only for the vehicle for which the permit was issued.

71.3 Subd. 2. **Dealer.** The registrar may issue permits to licensed dealers upon payment of
71.4 the proper fee for each permit.

71.5 Subd. 3. **Proceeds to highway user fund.** All payments received for such permits shall
71.6 be paid into the state treasury and credited to the highway user tax distribution fund.

71.7 **EFFECTIVE DATE.** This section is effective October 1, 2025, for permits issued on
71.8 or after that date.

71.9 Sec. 29. Minnesota Statutes 2024, section 168.27, subdivision 16, is amended to read:

71.10 Subd. 16. **Dealer plates: distinguishing number, fee, tax, use.** (a) The registrar shall
71.11 issue to every motor vehicle dealer, upon a request from the motor vehicle dealer licensed
71.12 as provided in subdivision 2 or 3, one or more plates displaying a general distinguishing
71.13 number. This subdivision does not apply to a scrap metal processor, a used vehicle parts
71.14 dealer, or a vehicle salvage pool. The fee for each of the first four plates is \$75 per registration
71.15 year, of which \$60 must be paid to the registrar and the remaining \$15 is payable as sales
71.16 tax on motor vehicles under section 297B.035. For each additional plate, the dealer shall
71.17 pay the registrar a fee of \$25 and a sales tax on motor vehicles of \$15 per registration year.
71.18 The registrar shall deposit the tax in the state treasury to be credited as provided in section
71.19 297B.09. Replacement plates are subject to the fees in section 168.12. Motor vehicles, new
71.20 or used, owned by the motor vehicle dealership and bearing the number plate, except vehicles
71.21 leased to the user who is not an employee of the dealer during the term of the lease, held
71.22 for hire, or used by the dealer as a tow truck, service truck, or parts vehicle, may be driven
71.23 upon the streets and highways of this state:

71.24 (1) by the motor vehicle dealer or dealer's spouse, or any full-time employee of the motor
71.25 vehicle dealer for either private or business purposes;

71.26 (2) by a part-time employee when the use is directly related to a particular business
71.27 transaction of the dealer;

71.28 (3) for use as a courtesy vehicle provided to a customer of the dealership while the
71.29 customer's vehicle is being repaired;

71.30 (4) for demonstration purposes by any prospective buyer for a period of 48 hours or in
71.31 the case of a truck, truck-tractor, or semitrailer, for a period of seven 14 days; or

72.1 ~~(4)~~ (5) in a promotional event that lasts no longer than four days in which at least three
72.2 motor vehicles are involved.

72.3 (b) A new or used motor vehicle sold by the motor vehicle dealer and bearing the motor
72.4 vehicle dealer's number plate may be driven upon the public streets and highways for a
72.5 period of 72 hours by the buyer for either of the following purposes: (1) removing the vehicle
72.6 from this state for registration in another state, or (2) permitting the buyer to use the motor
72.7 vehicle before the buyer receives number plates pursuant to registration. Use of a motor
72.8 vehicle by the buyer under clause (2) before the buyer receives number plates pursuant to
72.9 registration constitutes a use of the public streets or highways for the purpose of the time
72.10 requirements for registration of motor vehicles.

72.11 (c) All vehicles displaying a dealer plate issued under this subdivision must carry written
72.12 documentation within the vehicle that includes:

72.13 (1) a valid driver's license;

72.14 (2) proof of insurance;

72.15 (3) the reason for use; and

72.16 (4) if the vehicle is for use as a courtesy vehicle under paragraph (a), clause (3), a courtesy
72.17 vehicle user agreement that includes a list of authorized drivers for the vehicle and their
72.18 driver's license numbers and the start and end dates of use.

72.19 (d) For purposes of paragraph (a), a "courtesy vehicle" means a passenger-class motor
72.20 vehicle that a motor vehicle dealer temporarily provides at no or minimal cost to customers
72.21 for customer service or mobility purposes while the customer's vehicle is serviced, repaired,
72.22 or maintained. A courtesy vehicle with a dealer plate meeting the requirements of paragraph
72.23 (a) is not subject to the 72-hour restriction specified in paragraph (b).

72.24 **EFFECTIVE DATE.** This section is effective July 1, 2025.

72.25 Sec. 30. Minnesota Statutes 2024, section 168.33, subdivision 7, is amended to read:

72.26 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes:

72.27 (1) an \$8 filing fee is imposed on every vehicle registration renewal, excluding pro rate
72.28 transactions; and

72.29 (2) a \$12 filing fee is imposed on every other type of vehicle transaction, including motor
72.30 carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

72.31 (b) Notwithstanding paragraph (a):

73.1 (1) a filing fee may not be charged for a document returned for a refund or for a correction
73.2 of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and

73.3 (2) no filing fee or other fee may be charged for the permanent surrender of a title for a
73.4 vehicle.

73.5 (c) The filing fee must be shown as a separate item on all registration renewal notices
73.6 sent out by the commissioner.

73.7 (d) The statutory fees and taxes, the filing fees imposed under paragraph (a), and the
73.8 surcharge imposed under paragraph (f) may be paid by credit card or debit card. The deputy
73.9 registrar may collect a surcharge on the payment made under this paragraph not greater than
73.10 the cost of processing a credit card or debit card transaction, in accordance with emergency
73.11 rules established by the commissioner of public safety. The surcharge authorized by this
73.12 paragraph must be used to pay the cost of processing credit and debit card transactions.

73.13 (e) The fees collected under paragraph (a) by the department must be allocated as follows:

73.14 (1) of the fees collected under paragraph (a), clause (1):

73.15 (i) \$6.50 must be deposited in the driver and vehicle services operating account under
73.16 section 299A.705, subdivision 1; and

73.17 (ii) \$1.50 must be deposited in the driver and vehicle services technology account under
73.18 section 299A.705, subdivision 3; and

73.19 (2) of the fees collected under paragraph (a), clause (2):

73.20 (i) \$3.50 must be deposited in the general fund;

73.21 (ii) \$7 must be deposited in the driver and vehicle services operating account under
73.22 section 299A.705, subdivision 1; and

73.23 (iii) \$1.50 must be deposited in the driver and vehicle services technology account under
73.24 section 299A.705, subdivision 3.

73.25 (f) In addition to all other statutory fees and taxes, a deputy registrar must assess a \$1
73.26 surcharge on every transaction for which filing fees are collected under this subdivision.
73.27 The surcharge authorized by this paragraph must be (1) deposited in the treasury of the
73.28 place for which the deputy registrar is appointed, or (2) if the deputy registrar is not a public
73.29 official, retained by the deputy registrar. For purposes of this paragraph, a deputy registrar
73.30 does not include the commissioner.

73.31 (g) The commissioner must issue payment to a deputy registrar as follows:

- 74.1 (1) \$2 for paying an account balance;
- 74.2 (2) \$4 for the following transactions:
- 74.3 (i) updating a vehicle's address or the county in which the vehicle is kept;
- 74.4 (ii) changing or verifying an address related to the International Registration Plan or the
- 74.5 International Fuel Tax Agreement;
- 74.6 (iii) updating contact information for the International Registration Plan or the
- 74.7 International Fuel Tax Agreement;
- 74.8 (iv) processing a vehicle that has been sold, donated, or removed from the state; and
- 74.9 (v) marking a vehicle as junked;
- 74.10 (3) \$8 for the following transactions:
- 74.11 (i) changing a customer's personal identification number;
- 74.12 (ii) adding or removing liens for veterans with a total service-connected disability;
- 74.13 (iii) providing a duplicate title;
- 74.14 (iv) issuing International Fuel Tax Agreement decals;
- 74.15 (v) managing an International Fuel Tax Agreement license; and
- 74.16 (vi) administrative review requests; and
- 74.17 (4) the amount of the fee established under paragraph (a), clause (2), for the following
- 74.18 transactions:
- 74.19 (i) vehicle renewal for veterans with a total service-connected disability;
- 74.20 (ii) plate change for veterans with a total service-connected disability;
- 74.21 (iii) correcting or changing title and vehicle details;
- 74.22 (iv) issuing a new disability parking certificate;
- 74.23 (v) new title and registration for veterans with a total service-connected disability;
- 74.24 (vi) transferring title and registration for veterans with a total service-connected disability;
- 74.25 and
- 74.26 (vii) replacing plates, stickers, or registration cards.
- 74.27 (h) The following transactions for which no filing fee is collected are not eligible for
- 74.28 payment of any kind:

75.1 (1) collection of another fee type, including but not limited to a record request fee or a
75.2 fast track fee;

75.3 (2) voluntary waiver of a fee by the deputy registrar; and

75.4 (3) ancillary to a transaction for which a filing fee may be imposed.

75.5 (i) If the amount appropriated for payments under paragraph (g) is insufficient, the
75.6 commissioner must prorate the payments.

75.7 **EFFECTIVE DATE.** This section is effective August 1, 2025.

75.8 Sec. 31. Minnesota Statutes 2024, section 168A.10, is amended by adding a subdivision
75.9 to read:

75.10 Subd. 7. **Removal of license plates.** If an owner transfers interest in a vehicle other than
75.11 by the creation of a security interest or as defined in section 297B.01, subdivision 16,
75.12 paragraph (c), clauses (1) to (5), the owner must remove the existing license plates from
75.13 the vehicle, and the purchaser must, at the time of transfer, obtain new plates for the vehicle
75.14 and pay the fees specified in section 168.12, subdivision 5, paragraph (b).

75.15 **EFFECTIVE DATE.** This section is effective January 1, 2026, for vehicles transferred
75.16 on or after that date.

75.17 Sec. 32. Minnesota Statutes 2024, section 168A.11, subdivision 1, is amended to read:

75.18 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who
75.19 buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring
75.20 the vehicle to another person, other than by the creation of a security interest, the dealer
75.21 must promptly execute the assignment and warranty of title by a dealer, showing the names
75.22 and addresses of the transferee and of any secured party holding a security interest created
75.23 or reserved at the time of the resale, and the date of the security agreement in the spaces
75.24 provided on the certificate of title or secure reassignment.

75.25 (b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the
75.26 dealer need not register the vehicle but must pay one month's registration tax. If a dealer
75.27 elects to apply for a certificate of title on a vehicle held for resale, the commissioner must
75.28 not place any legend on the title that no motor vehicle sales tax was paid by the dealer but
75.29 may indicate on the title whether the vehicle is a new or used vehicle.

75.30 (c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer
75.31 must also, in the space provided on the certificate of title or secure reassignment, state the

76.1 true cumulative mileage registered on the odometer or that the exact mileage is unknown
76.2 if the odometer reading is known by the transferor to be different from the true mileage.

76.3 (d) The transferee must complete the application for title section on the certificate of
76.4 title or separate title application form prescribed by the commissioner. The dealer must mail
76.5 or deliver the certificate to the commissioner or deputy registrar with the transferee's
76.6 application for a new certificate and appropriate taxes and fees, within the period specified
76.7 under section 168A.10, subdivision 2.

76.8 (e) With respect to vehicles sold to buyers who will remove the vehicle from this state,
76.9 the dealer must remove any license plates from the vehicle, issue a ~~31-day~~ 60-day temporary
76.10 permit pursuant to section 168.091, and notify the commissioner within 48 hours of the sale
76.11 that the vehicle has been removed from this state. The notification must be made in an
76.12 electronic format prescribed by the commissioner. The dealer may contract with a deputy
76.13 registrar for the notification of sale to an out-of-state buyer. The deputy registrar may charge
76.14 a fee of \$7 per transaction to provide this service.

76.15 **EFFECTIVE DATE.** This section is effective October 1, 2025, for permits issued on
76.16 or after that date.

76.17 Sec. 33. Minnesota Statutes 2024, section 169.011, is amended by adding a subdivision
76.18 to read:

76.19 Subd. 1b. **All-electric motorcycle.** (a) "All-electric motorcycle" means an electric
76.20 motorcycle that is solely able to be powered by an electric motor drawing current from
76.21 rechargeable storage batteries, fuel cells, or other portable sources of electrical current.

76.22 (b) All-electric motorcycle excludes a plug-in hybrid electric motorcycle.

76.23 **EFFECTIVE DATE.** This section is effective August 1, 2025.

76.24 Sec. 34. Minnesota Statutes 2024, section 169.011, subdivision 36, is amended to read:

76.25 Subd. 36. **Intersection.** ~~(a)~~ "Intersection" means the area embraced within the
76.26 prolongation or connection of the lateral curb lines or, if none, then the lateral boundary
76.27 lines of the roadways of two highways which join one another at, or approximately at, right
76.28 angles or the area within which vehicles traveling upon different highways joining at any
76.29 other angle may come in conflict.

76.30 ~~(b) Where a highway includes two roadways 30 feet or more apart, then every crossing~~
76.31 ~~of each roadway of such divided highway by an intersecting highway shall be regarded as~~
76.32 ~~a separate intersection. In the event such intersecting highway also includes two roadways~~

77.1 ~~30 feet or more apart, then every crossing of two roadways of such highways shall be~~
77.2 ~~regarded as a separate intersection.~~

77.3 Sec. 35. Minnesota Statutes 2024, section 169.011, is amended by adding a subdivision
77.4 to read:

77.5 Subd. 54c. **Plug-in hybrid electric motorcycle.** "Plug-in hybrid electric motorcycle"
77.6 means an electric motorcycle that:

77.7 (1) contains an internal combustion engine and also allows power to be delivered to the
77.8 drive wheels by a battery-powered electric motor;

77.9 (2) when connected to the electrical grid via an electrical outlet, is able to recharge its
77.10 battery; and

77.11 (3) has the ability to travel at least 20 miles powered substantially by electricity.

77.12 **EFFECTIVE DATE.** This section is effective August 1, 2025.

77.13 Sec. 36. Minnesota Statutes 2024, section 169.06, subdivision 5, is amended to read:

77.14 Subd. 5. **Traffic-control signal.** (a) Whenever traffic is controlled by traffic-control
77.15 signals exhibiting different colored lights, or colored lighted arrows, successively one at a
77.16 time or in combination, only the colors Green, Red, and Yellow ~~shall~~ are permitted to be
77.17 used, except for special pedestrian signals carrying a word or legend symbol. The
77.18 traffic-control signal lights or colored lighted arrows indicate and apply to drivers of vehicles
77.19 and pedestrians as follows:

77.20 (1) Green indication:

77.21 (i) Vehicular traffic facing a circular green signal may proceed straight through or turn
77.22 right or left unless a sign prohibits either turn. But vehicular traffic, including vehicles
77.23 turning right or left, ~~shall~~ must yield the right-of-way to other vehicles and to pedestrians
77.24 lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited.
77.25 Vehicular traffic turning left or making a U-turn to the left ~~shall~~ must yield the right-of-way
77.26 to other vehicles approaching from the opposite direction so closely as to constitute an
77.27 immediate hazard.

77.28 (ii) Vehicular traffic facing a green arrow signal, shown alone or in combination with
77.29 another indication, may cautiously enter the intersection only to make the movement indicated
77.30 by the arrow, or other movement as permitted by other indications shown at the same time.

78.1 Vehicular traffic ~~shall~~ must yield the right-of-way to pedestrians lawfully within an adjacent
78.2 crosswalk and to other traffic lawfully using the intersection.

78.3 (iii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision
78.4 6, pedestrians facing any green signal, except when the sole green signal is a turn arrow,
78.5 may proceed across the roadway within any marked or unmarked crosswalk. Every driver
78.6 of a vehicle ~~shall~~ must yield the right-of-way to such pedestrian, except that the pedestrian
78.7 ~~shall~~ must yield the right-of-way to vehicles lawfully within the intersection at the time that
78.8 the green signal indication is first shown.

78.9 (2) Steady yellow indication:

78.10 (i) Vehicular traffic facing a steady circular yellow or yellow arrow signal is thereby
78.11 warned that the related green movement or flashing yellow movement is being terminated
78.12 or that a red indication will be exhibited immediately thereafter when vehicular traffic must
78.13 not enter the intersection, except for the continued movement allowed by any green arrow
78.14 indication simultaneously exhibited.

78.15 (ii) Pedestrians facing a circular yellow signal, unless otherwise directed by a
78.16 pedestrian-control signal as provided in subdivision 6, are thereby advised that there is
78.17 insufficient time to cross the roadway before a red indication is shown and ~~no~~ a pedestrian
78.18 ~~shall~~ must not then start to cross the roadway.

78.19 (3) Steady red indication:

78.20 (i) Vehicular traffic facing a circular red signal alone must stop at a clearly marked stop
78.21 line but, if none, before entering the crosswalk on the near side of the intersection or, if
78.22 none, then before entering the intersection and ~~shall~~ must remain standing until a green
78.23 indication is shown, except as follows:

78.24 (A) the driver of a vehicle stopped as close as practicable at the entrance to the crosswalk
78.25 on the near side of the intersection or, if none, then at the entrance to the intersection in
78.26 obedience to a red or stop signal, and with the intention of making a right turn may make
78.27 the right turn, after stopping, unless an official sign has been erected prohibiting such
78.28 movement, but ~~shall~~ must yield the right-of-way to pedestrians and other traffic lawfully
78.29 proceeding as directed by the signal at that intersection; or

78.30 (B) the driver of a vehicle on a one-way street intersecting another one-way street on
78.31 which traffic moves to the left ~~shall~~ must stop in obedience to a red or stop signal and may
78.32 then make a left turn into the one-way street, unless an official sign has been erected

prohibiting the movement, but ~~shall~~ must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(ii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing a steady red signal alone ~~shall~~ must not enter the roadway.

(iii) Vehicular traffic facing a steady red arrow signal, with the intention of making a movement indicated by the arrow, must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and must remain standing until a permissive signal indication permitting the movement indicated by the red arrow is displayed, except as follows: when an official sign has been erected permitting a turn on a red arrow signal, the vehicular traffic facing a red arrow signal indication is permitted to enter the intersection to turn right, or to turn left from a one-way street into a one-way street on which traffic moves to the left, after stopping, but must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(b) In the event an official traffic-control signal is erected and maintained at a place other than an intersection, the provisions of this section are applicable except those which can have no application. Any stop required must be made at a sign or marking on the pavement indicating where the stop must be made, but in the absence of any such sign or marking the stop must be made at the signal.

(c) When a traffic-control signal indication or indications placed to control a certain movement or lane are so identified by placing a sign near the indication or indications, no other traffic-control signal indication or indications within the intersection controls vehicular traffic for that movement or lane.

(d) A peace officer is prohibited from stopping, detaining, or issuing a citation to a pedestrian for a violation of paragraph (a), clause (2), item (ii), or (3), item (ii), unless:

(1) the officer lawfully stops or detains the pedestrian for an unrelated violation or offense; or

(2) at the time of the violation, a vehicle is approaching in a manner that constitutes a hazard of collision between the vehicle and the pedestrian.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to violations committed on or after that date.

80.1 Sec. 37. Minnesota Statutes 2024, section 169.06, subdivision 6, is amended to read:

80.2 Subd. 6. **Pedestrian control signal.** (a) Whenever special pedestrian-control signals
80.3 exhibiting the words "Walk" or "Don't Walk" or symbols of a "walking person" or "upraised
80.4 hand" are in place, the signals or symbols indicate as follows:

80.5 (1) A steady "Walk" signal or the symbol of a "walking person" indicates that a pedestrian
80.6 facing either of these signals may proceed across the roadway in the direction of the signal,
80.7 possibly in conflict with turning vehicles. Every driver of a vehicle ~~shall~~ must yield the
80.8 right-of-way to such pedestrian except that the pedestrian ~~shall~~ must yield the right-of-way
80.9 to vehicles lawfully within the intersection at the time that either signal indication is first
80.10 shown.

80.11 (2) A "Don't Walk" signal or the symbol of an "upraised hand," flashing or steady,
80.12 indicates that a pedestrian ~~shall~~ must not start to cross the roadway in the direction of either
80.13 signal, but any pedestrian who has partially crossed on the "Walk" or "walking person"
80.14 signal indication ~~shall~~ must proceed to a sidewalk or safety island while the signal is showing.

80.15 (b) A pedestrian crossing a roadway in conformity with this section is lawfully within
80.16 the intersection and, when in a crosswalk, is lawfully within the crosswalk.

80.17 (c) A peace officer is prohibited from stopping, detaining, or issuing a citation to a
80.18 pedestrian for a violation of paragraph (a), clause (2), unless:

80.19 (1) the officer lawfully stops or detains the pedestrian for an unrelated violation or
80.20 offense; or

80.21 (2) at the time of the violation, a vehicle is approaching in a manner that constitutes a
80.22 hazard of collision between the vehicle and the pedestrian.

80.23 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to violations
80.24 committed on or after that date.

80.25 Sec. 38. Minnesota Statutes 2024, section 169.14, is amended by adding a subdivision to
80.26 read:

80.27 Subd. 5k. **Speed limit on Steele County State-Aid Highway 12 in the city of**
80.28 **Medford.** (a) Notwithstanding any provision to the contrary in this section, the speed limit
80.29 on Steele County State-Aid Highway 12 is:

80.30 (1) 45 miles per hour between 6th Street Southeast in the city of Medford and Steele
80.31 County State-Aid Highway 1; and

81.1 (2) 30 miles per hour between 5th Street Southeast and 6th Street Southeast in the city
81.2 of Medford.

81.3 (b) The county engineer must erect appropriate signs displaying the speed limits specified
81.4 in this subdivision.

81.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

81.6 Sec. 39. Minnesota Statutes 2024, section 169.14, is amended by adding a subdivision to
81.7 read:

81.8 Subd. 51. **Beltrami County State-Aid Highway 20.** Notwithstanding any provision to
81.9 the contrary in this section, the speed limit on Beltrami County State-Aid Highway 20 is
81.10 30 miles per hour from the intersection with Beltrami County State-Aid Highway 21 to the
81.11 entrance to Lake Bemidji State Park. The county engineer must erect appropriate signs
81.12 displaying the speed limit.

81.13 **EFFECTIVE DATE.** This section is effective the day following final enactment. The
81.14 new speed limit is effective when the required signs are erected.

81.15 Sec. 40. Minnesota Statutes 2024, section 169.21, subdivision 3, is amended to read:

81.16 Subd. 3. **Crossing between intersections.** (a) Every pedestrian crossing a roadway at
81.17 any point other than within a marked crosswalk or at an intersection with no marked
81.18 crosswalk ~~shall~~ must yield the right-of-way to all vehicles upon the roadway.

81.19 (b) Any pedestrian crossing a roadway at a point where a pedestrian tunnel or overhead
81.20 pedestrian crossing has been provided ~~shall~~ must yield the right-of-way to all vehicles upon
81.21 the roadway.

81.22 (c) Between adjacent intersections at which traffic-control signals are in operation
81.23 pedestrians ~~shall~~ must not cross at any place except in a marked crosswalk.

81.24 (d) Notwithstanding the other provisions of this section, every driver of a vehicle ~~shall~~
81.25 must (1) exercise due care to avoid colliding with any bicycle or pedestrian upon any
81.26 roadway, and (2) give an audible signal when necessary and exercise proper precaution
81.27 upon observing any child or any obviously confused or incapacitated person upon a roadway.

81.28 (e) A peace officer is prohibited from stopping, detaining, or issuing a citation to a
81.29 pedestrian for a violation of paragraph (c), unless:

81.30 (1) the officer lawfully stops or detains the pedestrian for an unrelated violation or
81.31 offense; or

82.1 (2) at the time of the violation, a vehicle is approaching in a manner that constitutes a
82.2 hazard of collision between the vehicle and the pedestrian.

82.3 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to violations
82.4 committed on or after that date.

82.5 Sec. 41. Minnesota Statutes 2024, section 169.444, subdivision 2, is amended to read:

82.6 Subd. 2. **Violations by drivers; penalties.** (a) A person who fails to stop a vehicle or
82.7 to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, is guilty of
82.8 a misdemeanor punishable by a fine of: (1) not less than \$500; (2) not less than \$700 for a
82.9 violation occurring within ten years of a prior violation; or (3) not less than \$950 for a
82.10 violation occurring within ten years of two or more prior violations.

82.11 (b) A person is guilty of a gross misdemeanor if the person fails to stop a motor vehicle
82.12 or to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, and
82.13 commits either or both of the following acts:

82.14 (1) passes or attempts to pass the school bus in a motor vehicle on the right-hand,
82.15 passenger-door side of the bus; or

82.16 (2) passes or attempts to pass the school bus in a motor vehicle when a school child is
82.17 outside of and on the street or highway used by the school bus or on the adjacent sidewalk.

82.18 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to violations
82.19 occurring on or after that date.

82.20 Sec. 42. Minnesota Statutes 2024, section 169A.55, subdivision 5, is amended to read:

82.21 Subd. 5. **Reinstatement of driving privileges; certain criminal vehicular operation**
82.22 **offenses.** A person whose driver's license has been revoked under section 171.17, subdivision
82.23 1, paragraph (a), clause ~~(1)~~ (2) (revocation, criminal vehicular operation), or suspended
82.24 under section 171.187 (suspension, criminal vehicular operation), for a violation of section
82.25 609.2113, subdivision 1, clause (2), item (i) or (iii), (3), or (4), subdivision 2, clause (2),
82.26 item (i) or (iii), (3), or (4), or subdivision 3, clause (2), item (i) or (iii), (3), or (4); or section
82.27 609.2114, subdivision 2, clause (2), item (i) or (iii) (criminal vehicular operation,
82.28 alcohol-related provisions), resulting in bodily harm, substantial bodily harm, or great bodily
82.29 harm, shall not be eligible for reinstatement of driving privileges until the person has
82.30 submitted to the commissioner verification of the use of ignition interlock for the applicable
82.31 time period specified in those sections. To be eligible for reinstatement under this subdivision,

83.1 a person shall utilize an ignition interlock device that meets the performance standards and
83.2 certification requirements under subdivision 4, paragraph (c).

83.3 Sec. 43. Minnesota Statutes 2024, section 171.01, is amended by adding a subdivision to
83.4 read:

83.5 Subd. 52. **Work zone.** "Work zone" has the meaning given in section 169.011,
83.6 subdivision 95.

83.7 Sec. 44. Minnesota Statutes 2024, section 171.05, subdivision 1, is amended to read:

83.8 Subdivision 1. **Person 18 or more years of age.** (a) Any person who is 18 or more years
83.9 of age and who, except for a lack of instruction in operating a motor vehicle, would otherwise
83.10 be qualified to obtain a class D driver's license under this chapter, may apply for an
83.11 instruction permit, and the department ~~shall~~ must issue the permit. The instruction permit
83.12 entitles the applicant to drive a motor vehicle for which a class D license is valid upon the
83.13 highways for a period of two years if the permit holder:

83.14 (1) has the permit in immediate possession; and

83.15 (2) is driving the vehicle while accompanied by an adult licensed driver who is actually
83.16 occupying a seat beside the driver.

83.17 (b) Any license of a lower class may be used as an instruction permit to operate a vehicle
83.18 requiring a higher class license for a period of ~~six months~~ one year after passage of the
83.19 written test or tests required for the higher class and when the licensee is accompanied by
83.20 and receiving instruction from a holder of the appropriate higher class license. A copy of
83.21 the record of examination taken for the higher class license must be carried by the driver
83.22 while using the lower class license as an instruction permit.

83.23 Sec. 45. Minnesota Statutes 2024, section 171.0605, subdivision 2, is amended to read:

83.24 Subd. 2. **Evidence; identity; date of birth.** (a) Only the following is satisfactory evidence
83.25 of an applicant's identity and date of birth under section 171.06, subdivision 3, paragraph
83.26 (b):

83.27 (1) a driver's license or identification card that:

83.28 (i) complies with all requirements of the REAL ID Act;

83.29 (ii) is not designated as temporary or limited term; and

83.30 (iii) is current or has been expired for five years or less;

- 84.1 (2) a valid, unexpired United States passport, including a passport booklet or passport
84.2 card, issued by the United States Department of State;
- 84.3 (3) a certified copy of a birth certificate issued by a government bureau of vital statistics
84.4 or equivalent agency in the applicant's state of birth, which must bear the raised or authorized
84.5 seal of the issuing government entity;
- 84.6 (4) a consular report of birth abroad, certification of report of birth, or certification of
84.7 birth abroad, issued by the United States Department of State, Form FS-240, Form DS-1350,
84.8 or Form FS-545;
- 84.9 (5) a valid, unexpired permanent resident card issued by the United States Department
84.10 of Homeland Security or the former Immigration and Naturalization Service of the United
84.11 States Department of Justice, Form I-551. If the Form I-551 validity period has been
84.12 automatically extended by the United States Department of Homeland Security, it is deemed
84.13 unexpired, regardless of the expiration date listed;
- 84.14 (6) a foreign passport with an unexpired temporary I-551 stamp or a temporary I-551
84.15 printed notation on a machine-readable immigrant visa with a United States Department of
84.16 Homeland Security admission stamp within the validity period;
- 84.17 (7) a United States Department of Homeland Security Form I-94 or Form I-94A with a
84.18 photograph and an unexpired temporary I-551 stamp;
- 84.19 (8) a United States Department of State Form DS-232 with a United States Department
84.20 of Homeland Security admission stamp and validity period;
- 84.21 (9) a certificate of naturalization issued by the United States Department of Homeland
84.22 Security, Form N-550 or Form N-570;
- 84.23 (10) a certificate of citizenship issued by the United States Department of Homeland
84.24 Security, Form N-560 or Form N-561;
- 84.25 (11) an unexpired employment authorization document issued by the United States
84.26 Department of Homeland Security, Form I-766 or Form I-688B. If the Form I-766 validity
84.27 period has been automatically extended by the United States Department of Homeland
84.28 Security, it is deemed unexpired, regardless of the expiration date listed;
- 84.29 (12) a valid, unexpired passport issued by a foreign country and a valid, unexpired United
84.30 States visa accompanied by documentation of the applicant's most recent lawful admittance
84.31 into the United States; or

85.1 (13) a document as designated by the United States Department of Homeland Security
85.2 under Code of Federal Regulations, title 6, part 37.11 (c)(1)(x);

85.3 ~~(14) a copy of the applicant's certificate of marriage certified by the issuing government~~
85.4 ~~jurisdiction;~~

85.5 ~~(15) a certified copy of a court order that specifies the applicant's name change; or~~

85.6 ~~(16) a certified copy of a divorce decree or dissolution of marriage that specifies the~~
85.7 ~~applicant's name change, issued by a court.~~

85.8 (b) A document under paragraph (a) must be legible and unaltered.

85.9 Sec. 46. Minnesota Statutes 2024, section 171.0605, is amended by adding a subdivision
85.10 to read:

85.11 Subd. 7. Evidence of name change. The following is satisfactory evidence of an
85.12 applicant's name change:

85.13 (1) a copy of the applicant's certificate of marriage certified by the issuing government
85.14 jurisdiction;

85.15 (2) a certified copy of a court order that specifies the applicant's name change; or

85.16 (3) a certified copy of a court-issued divorce decree or dissolution of marriage that
85.17 specifies the applicant's name change.

85.18 Sec. 47. Minnesota Statutes 2024, section 171.061, subdivision 4, is amended to read:

85.19 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee for each
85.20 application as follows:

85.21 (1) New application for a noncompliant, REAL ID-compliant, or \$ 16.00
85.22 enhanced driver's license or identification card

85.23 (2) Renewal application for a noncompliant, REAL ID-compliant, or \$ 11.00
85.24 enhanced driver's license or identification card

85.25 Except as provided in paragraph (c), the fee must cover all expenses involved in receiving,
85.26 accepting, or forwarding to the department the applications and fees required under sections
85.27 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

85.28 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
85.29 credit card or debit card. The driver's license agent may collect a convenience fee on the
85.30 statutory fees and filing fees not greater than the cost of processing a credit card or debit
85.31 card transaction. The convenience fee must be used to pay the cost of processing credit card

86.1 and debit card transactions. The commissioner must adopt rules to administer this paragraph
86.2 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
86.3 does not apply.

86.4 (c) The department must maintain the photo identification and vision examination
86.5 equipment for all agents. All photo identification and vision examination equipment must
86.6 be compatible with standards established by the department.

86.7 (d) A filing fee retained by the agent employed by a county board must be paid into the
86.8 county treasury and credited to the general revenue fund of the county. An agent who is not
86.9 an employee of the county must retain the filing fee in lieu of county employment or salary
86.10 and is considered an independent contractor for pension purposes, coverage under the
86.11 Minnesota State Retirement System, or membership in the Public Employees Retirement
86.12 Association.

86.13 (e) Before the end of the first working day following the final day of the reporting period
86.14 established by the department, the agent must forward to the department all applications
86.15 and fees collected during the reporting period except as provided in paragraph (d).

86.16 (f) The commissioner must issue payment to a driver's license agent as follows:

86.17 (1) \$2 for paying an account balance;

86.18 (2) \$4 for the following transactions:

86.19 (i) correcting credentials for veterans with a total service-connected disability, homeless
86.20 fee, and those with reduced-fee credentials; and

86.21 (ii) payment of reinstatement fees for veterans with a total service-connected disability
86.22 and homeless youth;

86.23 (3) \$8 for the following transactions:

86.24 (i) changing a customer's personal identification number; and

86.25 (ii) mail-in application photograph renewal; and

86.26 (4) the amount of the fee established under section 168.33, subdivision 7, paragraph (a),
86.27 clause (2), for the following transactions:

86.28 (i) addition of court order review;

86.29 (ii) paper temporary receipt of application permit for veterans with a total
86.30 service-connected disability; and

87.1 (iii) issuing a credential for veterans with a total service-connected disability, homeless
87.2 youth, and those with reduced-fee credentials.

87.3 (g) The following transactions for which no filing fee is collected are not eligible for
87.4 payment of any kind:

87.5 (1) collection of another fee type, including but not limited to a record request fee or a
87.6 fast track fee;

87.7 (2) voluntary waiver of a fee by the driver's license agent; and

87.8 (3) ancillary to a transaction for which a filing fee may be imposed.

87.9 (h) If the amount appropriated for payments under paragraph (f) is insufficient, the
87.10 commissioner must prorate the payments.

87.11 **EFFECTIVE DATE.** This section is effective August 1, 2025.

87.12 Sec. 48. Minnesota Statutes 2024, section 171.0701, is amended by adding a subdivision
87.13 to read:

87.14 Subd. 1c. **Driver education; work zone safety.** The commissioner must adopt rules for
87.15 persons enrolled in driver education programs offered at public schools, private schools,
87.16 and commercial driver training schools to require inclusion of a section on work zone and
87.17 road construction worker safety in the course of instruction. The instruction must include
87.18 information on:

87.19 (1) safe speeds in work zones, including speeds when workers are present;

87.20 (2) the specific duties of a driver when encountering, entering, traveling through, and
87.21 exiting a work zone;

87.22 (3) the dangers of distracted driving through work zones;

87.23 (4) the legal markings of a work zone, including flagging, traffic control devices, barrels,
87.24 lights, or other signage that indicate the segment of street or highway under construction,
87.25 reconstruction, or maintenance; and

87.26 (5) safely merging into travel lanes when a lane is closed due to construction,
87.27 reconstruction, or maintenance.

87.28 **EFFECTIVE DATE.** This section is effective July 1, 2026.

88.1 Sec. 49. Minnesota Statutes 2024, section 171.0705, is amended by adding a subdivision
88.2 to read:

88.3 Subd. 2a. **Driver's manual; work zone safety.** The commissioner must include in each
88.4 edition of the driver's manual published by the department a section relating to work zone
88.5 safety and road construction worker safety that, at a minimum, includes:

88.6 (1) traffic laws related to work zone safety, including work zone speed limits and the
88.7 surcharge imposed for a person convicted of speeding in a work zone;

88.8 (2) commonly used work zone markings and traffic control devices;

88.9 (3) traffic laws related to distracted driving, with an emphasis on the dangers of distracted
88.10 driving in work zones; and

88.11 (4) lane merger benefits and best practices, including information on motorists safely
88.12 merging from two lanes into a single lane of traffic when a lane is closed due to construction,
88.13 reconstruction, or maintenance.

88.14 **EFFECTIVE DATE.** This section is effective the day following final enactment and
88.15 applies to the next published edition of the driver's manual published on or after that date.

88.16 Sec. 50. Minnesota Statutes 2024, section 171.071, subdivision 2, is amended to read:

88.17 Subd. 2. **Certain head wear permitted.** If an accident involving a head injury, serious
88.18 illness, or treatment of the illness has resulted in hair loss or the need to maintain continuous
88.19 coverage of the head or scalp with a medical covering by an applicant for a driver's license
88.20 or identification card, the commissioner ~~shall~~ must permit the applicant to wear a hat or
88.21 similar head wear or the covering in the photograph or electronically produced image. The
88.22 hat, medically required covering, or head wear must be of an appropriate size and type to
88.23 allow identification of the holder of the license or card and must not obscure the holder's
88.24 face.

88.25 **EFFECTIVE DATE.** This section is effective the day following final enactment and
88.26 applies to images produced on or after that date.

88.27 Sec. 51. Minnesota Statutes 2024, section 171.13, subdivision 1, is amended to read:

88.28 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**
88.29 **disabled veterans.** (a) Except as otherwise provided in this section, the commissioner must
88.30 examine each applicant for a driver's license by such agency as the commissioner directs.
88.31 This examination must include:

89.1 (1) a test of the applicant's eyesight, provided that this requirement is met by submission
89.2 of a vision examination certificate under section 171.06, subdivision 7;

89.3 (2) a test of the applicant's ability to read and understand highway signs regulating,
89.4 warning, and directing traffic;

89.5 (3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and
89.6 drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal
89.7 penalties and financial consequences resulting from violations of laws prohibiting the
89.8 operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad
89.9 grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil
89.10 transportation safety, including the significance of school bus lights, signals, stop arm, and
89.11 passing a school bus; (vi) traffic laws related to bicycles; ~~and~~ (vii) the circumstances and
89.12 dangers of carbon monoxide poisoning; and (viii) work zone and road construction worker
89.13 safety, including work zone speed limits, work zone markings, vehicle operation requirements
89.14 in work zones, and the dangers of distracted driving in work zones;

89.15 (4) an actual demonstration of ability to exercise ordinary and reasonable control in the
89.16 operation of a motor vehicle; and

89.17 (5) other physical and mental examinations as the commissioner finds necessary to
89.18 determine the applicant's fitness to operate a motor vehicle safely upon the highways.

89.19 (b) Notwithstanding paragraph (a), the commissioner must not deny an application for
89.20 a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in
89.21 color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans
89.22 operating motor vehicles especially equipped for disabled persons, if otherwise entitled to
89.23 a license, must be granted such license.

89.24 (c) The commissioner must ensure that an applicant may take an exam either in the
89.25 county where the applicant resides or in an adjacent county at a reasonably convenient
89.26 location. The schedule for each exam station must be posted on the department's website.

89.27 (d) Subject to the requirements of paragraph (e), the commissioner must make class D
89.28 road skills examination appointments available six months in advance, with at least 50
89.29 percent of projected appointments available to book three months in advance, at least 75
89.30 percent of projected appointments available to book two months in advance, and 100 percent
89.31 of projected appointments available to book one month in advance.

(e) The commissioner must ensure only qualifying applicants may book a class D road skills examination appointment earlier than one month in advance. For purposes of this paragraph, a qualifying applicant means:

(1) an applicant who resides in the same county in which an exam station is located; or

(2) an applicant who resides in an adjacent county in which an exam station is located.

(f) The commissioner shall ensure that an applicant is able to obtain an appointment for an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the applicant's request if, under the applicable statutes and rules of the commissioner, the applicant is eligible to take the examination.

~~(e)~~ (g) The commissioner must provide real-time information on the department's website about the availability and location of exam appointments. The website must show the next available exam dates and times for each exam station. The website must also provide an option for a person to enter an address to see the date and time of the next available exam at each exam station sorted by distance from the address provided.

EFFECTIVE DATE. Paragraphs (d) and (e) are effective August 1, 2025, for examinations made on or after that date. Paragraph (a), clause (3), item (viii), is effective January 1, 2027, and applies to examinations administered on or after that date.

Sec. 52. Minnesota Statutes 2024, section 171.13, subdivision 7, is amended to read:

Subd. 7. **Examination fees.** (a) A fee of \$10 must be paid by an individual to take a third and any subsequent knowledge test administered by the department if the individual has failed two previous consecutive knowledge tests on the subject.

(b) A fee of \$20 must be paid by an individual to take a third and any subsequent skills or road test administered by the department if the individual has previously failed two consecutive skill or road tests in a specified class of motor vehicle.

(c) A fee of ~~\$20~~ \$50 must be paid by an individual who fails to appear for a scheduled skills or road test or who cancels a skills or road test ~~within less than~~ within less than 24 hours ~~of before~~ the appointment time. A fee of \$20 must be paid by an individual who cancels a scheduled skills or road test between 24 hours and 72 hours before the appointment time.

(d) All fees received under this subdivision must be paid into the state treasury and credited to the driver and vehicle services operating account under section 299A.705.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to examinations on or after that date.

91.1 Sec. 53. Minnesota Statutes 2024, section 171.17, subdivision 1, is amended to read:

91.2 Subdivision 1. **Offenses.** (a) The department shall immediately revoke the license of a
91.3 driver upon receiving a record of the driver's conviction of:

91.4 (1) manslaughter resulting from the operation of a motor vehicle ~~or~~ under section 609.20
91.5 or 609.205;

91.6 (2) criminal vehicular homicide or injury under section 609.2112, 609.2113, or 609.2114,
91.7 or Minnesota Statutes 2012, section 609.21;

91.8 ~~(2)~~ (3) a violation of section 169A.20 or 609.487;

91.9 ~~(3)~~ (4) a felony in the commission of which a motor vehicle was used;

91.10 ~~(4)~~ (5) failure to stop and disclose identity and render aid, as required under section
91.11 169.09, in the event of a motor vehicle accident, resulting in the death or personal injury of
91.12 another;

91.13 ~~(5)~~ (6) perjury or the making of a false affidavit or statement to the department under
91.14 any law relating to the application, ownership, or operation of a motor vehicle, including
91.15 on the certification required under section 171.05, subdivision 2, paragraph (a), clause (1),
91.16 item (ii), subitem (C), to issue an instruction permit to a homeschool student;

91.17 ~~(6)~~ (7) except as this section otherwise provides, three charges of violating within a
91.18 period of 12 months any of the provisions of chapter 169 or of the rules or municipal
91.19 ordinances enacted in conformance with chapter 169, for which the accused may be punished
91.20 upon conviction by imprisonment;

91.21 ~~(7)~~ (8) two or more violations, within five years, of the misdemeanor offense described
91.22 in section 169.444, subdivision 2, paragraph (a);

91.23 ~~(8)~~ (9) the gross misdemeanor offense described in section 169.444, subdivision 2,
91.24 paragraph (b);

91.25 ~~(9)~~ (10) an offense in another state that, if committed in this state, would be grounds for
91.26 revoking the driver's license; or

91.27 ~~(10)~~ (11) a violation of an applicable speed limit by a person driving in excess of 100
91.28 miles per hour. The person's license must be revoked for six months for a violation of this
91.29 clause, or for a longer minimum period of time applicable under section 169A.53, 169A.54,
91.30 or 171.174.

92.1 (b) The department shall immediately revoke the school bus endorsement of a driver
92.2 upon receiving a record of the driver's conviction of the misdemeanor offense described in
92.3 section 169.443, subdivision 7.

92.4 Sec. 54. Minnesota Statutes 2024, section 171.2405, subdivision 1, is amended to read:

92.5 Subdivision 1. **Establishment.** (a) A city or county may establish a license reinstatement
92.6 diversion program for holders of class D drivers' licenses who have been charged with
92.7 violating section 171.24, subdivision 1 or 2. An individual charged with driving after
92.8 revocation under section 171.24, subdivision 2, is eligible for diversion only if the revocation
92.9 was due to a violation of section 169.791; 169.797; 169A.52; 169A.54; 171.17, subdivision
92.10 1, paragraph (a), clause ~~(6)~~ (7); or 171.177. An individual who is a holder of a commercial
92.11 driver's license or who has committed an offense in a commercial motor vehicle is not
92.12 eligible to participate in the diversion program. Nothing in this section authorizes the issuance
92.13 of a driver's license to a diversion program participant during the underlying suspension or
92.14 revocation period at issue in the violation of section 171.24, subdivision 1 or 2.

92.15 (b) Notwithstanding any law or ordinance to the contrary, a city or county may contract
92.16 with a third party to create and administer the diversion program under this section. Any
92.17 participating city or county, at its own expense, may request an audit of the administrator.

92.18 (c) For purposes of this section, "administrator" means the city, county, or administrator
92.19 of the program.

92.20 Sec. 55. Minnesota Statutes 2024, section 171.301, subdivision 1, is amended to read:

92.21 Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a reintegration
92.22 driver's license to any person:

92.23 (1) who is 18 years of age or older;

92.24 (2) who has been released from a period of at least 180 consecutive days of confinement
92.25 or incarceration in:

92.26 (i) an adult correctional facility under the control of the commissioner of corrections or
92.27 licensed by the commissioner of corrections under section 241.021;

92.28 (ii) a federal correctional facility for adults; or

92.29 (iii) an adult correctional facility operated under the control or supervision of any other
92.30 state; and

(3) whose license has been suspended or revoked under the circumstances listed in section 171.30, subdivision 1, paragraph (a), clauses (1) to (4), for a violation that occurred before the individual was incarcerated for the period described in clause (2).

(b) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a reintegration driver's license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner.

(c) If the person's driver's license or permit to drive has been suspended under section 171.186, the commissioner may only issue a reintegration driver's license to the person after the commissioner receives notice of a court order provided pursuant to section 518A.65, paragraph (e), showing that the person's driver's license or operating privileges should no longer be suspended.

(d) If the person's driver's license has been revoked under section 171.17, subdivision 1, paragraph (a), clause (1) or (2), the commissioner may only issue a reintegration driver's license to the person after the person has completed the applicable revocation period.

(e) The commissioner must not issue a reintegration driver's license:

(1) to any person described in section 171.04, subdivision 1, clause (7), (8), (10), or (11);

(2) to any person described in section 169A.55, subdivision 5;

(3) if the person has committed a violation after the person was released from custody that results in the suspension, revocation, or cancellation of a driver's license, including suspension for nonpayment of child support or maintenance payments as described in section 171.186, subdivision 1; or

(4) if the issuance would conflict with the requirements of the nonresident violator compact.

(f) The commissioner must not issue a class A, class B, or class C reintegration driver's license.

Sec. 56. Minnesota Statutes 2024, section 171.301, subdivision 5, is amended to read:

Subd. 5. **Expiration.** A reintegration driver's license expires ~~45~~ 24 months from the date of issuance of the license. A reintegration driver's license may not be renewed.

94.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
94.2 applies to reintegration licenses issued on or after that date.

94.3 Sec. 57. Minnesota Statutes 2024, section 171.301, subdivision 6, is amended to read:

94.4 Subd. 6. **Issuance of regular driver's license.** (a) Notwithstanding any statute or rule
94.5 to the contrary, the commissioner must issue a REAL ID-compliant or noncompliant license
94.6 to a person who possesses a reintegration driver's license if:

94.7 (1) the person has possessed the reintegration driver's license for at least one full year;

94.8 (2) the reintegration driver's license has not been canceled under subdivision 4 and has
94.9 not been expired for more than 90 days from the date under subdivision 5;

94.10 (3) the person meets the application requirements under section 171.06, including payment
94.11 of the applicable fees, surcharge, and filing fee under sections 171.06, subdivisions 2 and
94.12 2a, and 171.061, subdivision 4; and

94.13 (4) issuance of the license does not conflict with the requirements of the nonresident
94.14 violator compact.

94.15 (b) The commissioner must forgive any outstanding balance due on a reinstatement fee
94.16 or surcharge under sections 171.20, subdivision 4, and 171.29, subdivision 2, for a person
94.17 who is eligible and applies for a license under paragraph (a).

94.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

94.19 Sec. 58. Minnesota Statutes 2024, section 171.306, subdivision 1, is amended to read:

94.20 Subdivision 1. **Definitions.** (a) As used in this section, the terms in this subdivision have
94.21 the meanings given them.

94.22 (b) "Ignition interlock device" or "device" means equipment that is designed to measure
94.23 breath alcohol concentration and to prevent a motor vehicle's ignition from being started
94.24 by a person whose breath alcohol concentration measures 0.02 or higher on the equipment.

94.25 (c) "Location tracking capabilities" means the ability of an electronic or wireless device
94.26 to identify and transmit its geographic location through the operation of the device.

94.27 (d) "Program participant" means a person who has qualified to take part in the ignition
94.28 interlock program under this section, and whose driver's license has been:

94.29 (1) revoked, canceled, or denied under section 169A.52; 169A.54; 171.04, subdivision
94.30 1, clause (10); or 171.177; or

95.1 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause ~~(1)~~ (2), or
 95.2 suspended under section 171.187, for a violation of section 609.2113, subdivision 1, clause
 95.3 (2), item (i) or (iii), (3), or (4); subdivision 2, clause (2), item (i) or (iii), (3), or (4); or
 95.4 subdivision 3, clause (2), item (i) or (iii), (3), or (4); or 609.2114, subdivision 2, clause (2),
 95.5 item (i) or (iii), (3), or (4), resulting in bodily harm, substantial bodily harm, or great bodily
 95.6 harm.

95.7 (e) "Qualified prior impaired driving incident" has the meaning given in section 169A.03,
 95.8 subdivision 22.

95.9 Sec. 59. Minnesota Statutes 2024, section 171.306, subdivision 4, is amended to read:

95.10 Subd. 4. **Issuance of restricted license.** (a) The commissioner shall issue a class D
 95.11 driver's license, subject to the applicable limitations and restrictions of this section, to a
 95.12 program participant who meets the requirements of this section and the program guidelines.
 95.13 The commissioner shall not issue a license unless the program participant has provided
 95.14 satisfactory proof that:

95.15 (1) a certified ignition interlock device has been installed on the participant's motor
 95.16 vehicle at an installation service center designated by the device's manufacturer; and

95.17 (2) the participant has insurance coverage on the vehicle equipped with the ignition
 95.18 interlock device. If the participant has previously been convicted of violating section 169.791,
 95.19 169.793, or 169.797 or the participant's license has previously been suspended, revoked, or
 95.20 canceled under section 169.792 or 169.797, the commissioner shall require the participant
 95.21 to present an insurance identification card that is certified by the insurance company to be
 95.22 noncancelable for a period not to exceed 12 months.

95.23 (b) A license issued under authority of this section must contain a restriction prohibiting
 95.24 the program participant from driving, operating, or being in physical control of any motor
 95.25 vehicle not equipped with a functioning ignition interlock device certified by the
 95.26 commissioner. A participant may drive an employer-owned vehicle not equipped with an
 95.27 interlock device while in the normal course and scope of employment duties pursuant to
 95.28 the program guidelines established by the commissioner and with the employer's written
 95.29 consent.

95.30 (c) A program participant whose driver's license has been: (1) revoked under section
 95.31 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph
 95.32 (a), clause (1), (2), or (3); 169A.54, subdivision 1, clause (1), (2), (3), or (4); or 171.177,
 95.33 subdivision 4, paragraph (a), clause (1), (2), or (3), or subdivision 5, paragraph (a), clause

(1), (2), or (3); or (2) revoked under section 171.17, subdivision 1, paragraph (a), clause ~~(4)~~
(2), or suspended under section 171.187, for a violation of section 609.2113, subdivision
1, clause (2), item (i) or (iii), (3), or (4); subdivision 2, clause (2), item (i) or (iii), (3), or
(4); or subdivision 3, clause (2), item (i) or (iii), (3), or (4); or 609.2114, subdivision 2,
clause (2), item (i) or (iii), (3), or (4), resulting in bodily harm, substantial bodily harm, or
great bodily harm, where the participant has fewer than two qualified prior impaired driving
incidents within the past ten years or fewer than three qualified prior impaired driving
incidents ever; may apply for conditional reinstatement of the driver's license, subject to
the ignition interlock restriction.

(d) A program participant whose driver's license has been: (1) revoked, canceled, or
denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or
subdivision 4, paragraph (a), clause (4), (5), or (6); 169A.54, subdivision 1, clause (5), (6),
or (7); or 171.177, subdivision 4, paragraph (a), clause (4), (5), or (6), or subdivision 5,
paragraph (a), clause (4), (5), or (6); or (2) revoked under section 171.17, subdivision 1,
paragraph (a), clause ~~(4)~~ (2), or suspended under section 171.187, for a violation of section
609.2113, subdivision 1, clause (2), item (i) or (iii), (3), or (4); subdivision 2, clause (2),
item (i) or (iii), (3), or (4); or subdivision 3, clause (2), item (i) or (iii), (3), or (4); or
609.2114, subdivision 2, clause (2), item (i) or (iii), (3), or (4), resulting in bodily harm,
substantial bodily harm, or great bodily harm, where the participant has two or more qualified
prior impaired driving incidents within the past ten years or three or more qualified prior
impaired driving incidents ever; may apply for conditional reinstatement of the driver's
license, subject to the ignition interlock restriction, if the program participant is enrolled in
a licensed substance use disorder treatment or rehabilitation program as recommended in
a chemical use assessment. As a prerequisite to eligibility for eventual reinstatement of full
driving privileges, a participant whose chemical use assessment recommended treatment
or rehabilitation shall complete a licensed substance use disorder treatment or rehabilitation
program. If the program participant's ignition interlock device subsequently registers a
positive breath alcohol concentration of 0.02 or higher, the commissioner shall extend the
time period that the participant must participate in the program until the participant has
reached the required abstinence period described in section 169A.55, subdivision 4.

(e) Notwithstanding any statute or rule to the contrary, the commissioner has authority
to determine when a program participant is eligible for restoration of full driving privileges,
except that the commissioner shall not reinstate full driving privileges until the program
participant has met all applicable prerequisites for reinstatement under section 169A.55 and

97.1 until the program participant's device has registered no positive breath alcohol concentrations
97.2 of 0.02 or higher during the preceding 90 days.

97.3 Sec. 60. Minnesota Statutes 2024, section 171.306, subdivision 8, is amended to read:

97.4 Subd. 8. **Rulemaking.** ~~In establishing~~ The commissioner must adopt the performance
97.5 standards and certification process of subdivision 2, and the program guidelines of
97.6 subdivision 3, as rules and any other rules necessary to implement this section, ~~the~~
97.7 ~~commissioner~~ is subject to chapter 14.

97.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

97.9 Sec. 61. **[171.397] FLEXIBLE INSTRUCTION PERMITTED.**

97.10 A student may receive a combination of online driver's education instruction under
97.11 section 171.396, teleconference driver's education instruction under section 171.395, and
97.12 classroom instruction if:

97.13 (1) the instruction is from a single licensed or authorized driver's education provider;

97.14 (2) the curriculum content is identical between the online, teleconference, and in-person
97.15 settings; and

97.16 (3) the driver's education provider is authorized by the commissioner to provide students
97.17 at least two methods of classroom instruction under the requirements of this chapter and
97.18 Minnesota Rules, chapter 7411, or successor rules.

97.19 **EFFECTIVE DATE.** This section is effective August 1, 2025, for driver's education
97.20 instruction commenced on or after that date.

97.21 Sec. 62. Minnesota Statutes 2024, section 174.03, is amended by adding a subdivision to
97.22 read:

97.23 Subd. 1e. **Outcome analysis of plan required.** Upon subsequent revisions of the 20-year
97.24 Minnesota state highway investment plan, the commissioner must analyze all trunk highway
97.25 projects included in the statewide multimodal transportation plan based on:

97.26 (1) the year a project was added to the statewide multimodal transportation plan;

97.27 (2) an explanation of the project purpose and need and development documentation
97.28 requirements under section 161.1611;

97.29 (3) a timeline that provides any key milestones of the project;

98.1 (4) project purposes relative to objectives in the statewide multimodal transportation
98.2 plan and investment priority areas established in the Minnesota state highway investment
98.3 plan;

98.4 (5) identified links between project implementation processes, including environmental
98.5 impact studies, programming, funding, and construction and the priorities identified in the
98.6 statewide multimodal transportation plan;

98.7 (6) identification of the scoping process for the project's inclusion in the statewide
98.8 multimodal transportation plan to determine whether the project was prioritized based on
98.9 the current condition or output of the roadway rather than expected outcomes or other
98.10 practical-based selection criteria; and

98.11 (7) an explanation of the multidisciplinary project development efforts required by
98.12 section 174.742.

98.13 Sec. 63. Minnesota Statutes 2024, section 174.03, is amended by adding a subdivision to
98.14 read:

98.15 Subd. 13. **Asset sustainability ratio targets.** (a) The commissioner must calculate and
98.16 report the asset sustainability ratio (ASR) for pavements for each fiscal year beginning in
98.17 fiscal year 2030. The ASR must be based on criteria developed by the commissioner and
98.18 found in the Pavement Design Manual. The ASR is calculated as:

98.19 (1) total mile years added; divided by

98.20 (2) total system mileage.

98.21 (b) The department must meet the following pavement system targets for ASR:

98.22 (1) not less than 0.65 by 2031;

98.23 (2) not less than 0.75 by 2033; and

98.24 (3) not less than 0.85 by 2035 and thereafter.

98.25 (c) The commissioner must report ASR results from projects constructed by the
98.26 department for each year and include the results in the annual transportation system
98.27 performance report under subdivision 12, paragraph (d).

98.28 **EFFECTIVE DATE.** This section is effective July 1, 2029.

Sec. 64. **[174.205] RESILIENT PAVEMENT PROGRAM.**

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Baseline project" means a trunk highway project without revision to pavement design life.

(c) "Commissioner" means the commissioner of transportation.

(d) "Modified project" means a project that is revised or under a revision analysis to contain a modified pavement design life using funds provided under the program.

(e) "Pavement cost" means the estimated total cost of pavement items for the project, including anticipated maintenance, rehabilitation, and resurfacing over a 50-year design life.

(f) "Program" means the resilient pavement program under this section.

Subd. 2. Program established. Subject to available funds, the commissioner must establish a resilient pavement program to provide supplemental funding for revisions to pavement design of trunk highway projects on the basis of long-term cost effectiveness.

Subd. 3. Administration. (a) In implementing the program, the commissioner must:

(1) establish procedures for identification, analysis, and selection of projects that receive funding and are accordingly revised in the pavement design; and

(2) specify a pavement design life of at least 50 years for modified projects.

(b) The commissioner must determine the pavement design life period using the current pavement design models and methodologies recognized by the department models used by the department for pavement design.

Subd. 4. Project eligibility; cost effectiveness. (a) To be eligible for funds under the program, a project must:

(1) be for trunk highway construction, reconstruction, rehabilitation, maintenance, or improvement;

(2) be included in a prior or current state transportation improvement program or capital highway investment plan with a proposed design life of less than or equal to 20 years;

(3) be a modified project with a pavement design life as specified under subdivision 3, paragraph (a), clause (2); and

100.1 (4) have a cost-effectiveness ratio, as calculated under paragraph (b), that equals or is
100.2 greater than 1.

100.3 (b) The cost-effectiveness ratio is calculated as:

100.4 (1) the pavement cost of the baseline project, divided by the pavement design life of the
100.5 baseline project; divided by

100.6 (2) the pavement cost of the modified project, divided by the modified pavement design
100.7 life.

100.8 (c) All infrastructure projects funded by the program must incorporate research findings
100.9 and best practices as developed and validated by the National Road Research Alliance and
100.10 its partners.

100.11 Subd. 5. Use of funds. (a) For a project selected under the program, the commissioner
100.12 may expend program funds for up to 110 percent of the difference in anticipated pavement
100.13 costs between the modified project and the baseline project.

100.14 (b) The commissioner may expend up to one-third of the funds on projects located wholly
100.15 or substantially inside the Department of Transportation metropolitan district, as calculated
100.16 using total funds under the program over (1) the current fiscal year, and (2) the latest prior
100.17 two years in which funds are allocated.

100.18 (c) The commissioner must not expend funds under the program for program delivery.

100.19 Subd. 6. Public information. The commissioner must publish information regarding
100.20 the program on the department's website. The information must include:

100.21 (1) a description of program implementation;

100.22 (2) identification of projects analyzed and selected under the program; and

100.23 (3) for each project selected, an overview that includes a brief project description, the
100.24 pavement design changes, and information on expenditures from program funds.

100.25 Sec. 65. Minnesota Statutes 2024, section 174.53, is amended to read:

100.26 **174.53 DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

100.27 (a) Beginning in fiscal years 2018 and 2019, the commissioner of transportation must
100.28 implement efficiencies equal to at least 15 percent of the appropriations made annually to
100.29 the commissioner from the trunk highway fund that are above base appropriations for fiscal
100.30 years 2018 and 2019.

101.1 (b) The efficiency savings resulting from the requirements in paragraph (a) ~~are~~ must be
101.2 used for the construction, maintenance, or rehabilitation of trunk highways, ~~including roads~~
101.3 ~~and bridges~~ under the corridors of commerce program under section 161.088.

101.4 Sec. 66. Minnesota Statutes 2024, section 174.634, subdivision 2, is amended to read:

101.5 Subd. 2. **Passenger rail account; transfers; appropriation.** (a) A passenger rail account
101.6 is established in the special revenue fund. The account consists of funds as provided in this
101.7 subdivision and any other money donated, allotted, transferred, collected, or otherwise
101.8 provided to the account.

101.9 (b) By July 15 annually beginning in calendar year ~~2027~~ 2029, the commissioner of
101.10 revenue must transfer an amount from the general fund to the passenger rail account that
101.11 equals 50 percent of the portion of the state general tax under section 275.025 levied on
101.12 railroad operating property, as defined under section 273.13, subdivision 24, in the prior
101.13 calendar year.

101.14 (c) Money in the account is annually appropriated to the commissioner of transportation
101.15 for the operating and capital maintenance costs of intercity passenger rail, which may include
101.16 but are not limited to planning, designing, developing, constructing, equipping, administering,
101.17 operating, promoting, maintaining, and improving passenger rail service within the state,
101.18 after accounting for operating revenue, federal funds, and other sources.

101.19 (d) By November 1 each year, the commissioner must report on the passenger rail account
101.20 to the chairs and ranking minority members of the legislative committees with jurisdiction
101.21 over transportation policy and finance. The report must, at a minimum, include:

101.22 (1) the actual revenue and expenditures in each of the previous two fiscal years;

101.23 (2) the budgeted and forecasted revenue and expenditures in the current fiscal year and
101.24 each fiscal year within the state forecast period;

101.25 (3) the plan for collection of fees and revenue, as defined and authorized under
101.26 subdivision 3, in the current fiscal year and each fiscal year within the state forecast period;
101.27 and

101.28 (4) the uses of expenditures or planned expenditures in each fiscal year included under
101.29 clauses (1) and (2).

Sec. 67. **[174.742] MULTIDISCIPLINARY PROJECT DEVELOPMENT**

REQUIRED.

(a) For purposes of this section, "eligible project" has the meaning given for a capacity expansion project in section 161.178, subdivision 1.

(b) The commissioner must require the use of interdisciplinary planning and decision-making methods and staff for eligible projects. Staff must form a core project team for eligible projects with diverse and multimodal expertise across social science disciplines to staff a project from planning to final construction. The core project team must:

(1) integrate field visits and walking audits into training, design, development, and review of eligible projects;

(2) include a planner who has experience and familiarity with the project's area or corridor to bring context in all phases of project delivery;

(3) serve as co-reviewers, where applicable, in project purpose and need contextual development requirements under section 161.1611, planning, design, and budgeting decisions;

(4) assess project decisions against statewide multimodal transportation plan priorities; and

(5) analyze projects and project decisions based on alternative transportation metrics with available data to determine community mobility and accessibility needs for all users, including but not limited to:

(i) economic development and equity outcomes;

(ii) transportation insecurity performance metrics;

(iii) access to essential services and jobs;

(iv) transportation affordability;

(v) access for historically underserved communities;

(vi) environmental justice concerns; and

(vii) public health impacts.

EFFECTIVE DATE. This section is effective March 1, 2027.

Sec. 68. Minnesota Statutes 2024, section 174.75, subdivision 2, is amended to read:

Subd. 2. **Implementation.** (a) The commissioner must implement a revised complete streets policy after consultation with stakeholders, state and regional agencies, local

103.1 governments, and road authorities. The commissioner, after such consultation, must address
103.2 relevant protocols, guidance, standards, requirements, and training.

103.3 (b) The complete streets policy must include but is not limited to:

103.4 (1) integration of related principles of context-sensitive solutions;

103.5 (2) integration throughout the project development process;

103.6 (3) integration of multidisciplinary project development resources under section 174.742;

103.7 (4) integration of purpose and need context development strategies under section
103.8 161.1611;

103.9 (5) methods to evaluate inclusion of active transportation facilities in a project, which
103.10 may include but are not limited to sidewalks, crosswalk markings, pedestrian accessibility,
103.11 and bikeways; and

103.12 ~~(4)~~ (6) consideration of consultation with other road authorities regarding existing and
103.13 planned active transportation network connections.

103.14 **EFFECTIVE DATE.** This section is effective March 1, 2027.

103.15 Sec. 69. Minnesota Statutes 2024, section 174.75, subdivision 2a, is amended to read:

103.16 Subd. 2a. **Implementation guidance.** The commissioner must maintain guidance that
103.17 accompanies the complete streets policy under this section. The guidance must include
103.18 sections on:

103.19 (1) an analysis framework that provides for:

103.20 (i) identification of characteristics of a project and the required purpose and need context
103.21 development strategies;

103.22 (ii) highway system categorization based on context, including population density, land
103.23 use, density and scale of surrounding development, volume of highway use, and the nature
103.24 and extent of active transportation; and

103.25 (iii) relative emphasis for different road system users in each of the categories under
103.26 item (ii) in a manner that supports safety and mobility of vulnerable road users, motorcyclists
103.27 or other operators of two- or three-wheeled vehicles, and public transit users; and

103.28 (2) an analysis of speed limit reductions and associated roadway design modifications
103.29 to support safety and mobility in active transportation.

103.30 **EFFECTIVE DATE.** This section is effective March 1, 2027.

104.1 Sec. 70. Minnesota Statutes 2024, section 289A.51, subdivision 1, is amended to read:

104.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
104.3 the meanings given.

104.4 (b) "Electric-assisted bicycle" has the meaning given in section 169.011, subdivision
104.5 27, except that the term is limited to a new electric-assisted bicycle purchased from an
104.6 eligible retailer.

104.7 (c) "Eligible expenses" means the amount paid for an electric-assisted bicycle and any
104.8 qualifying accessories purchased at the same time as the electric-assisted bicycle, inclusive
104.9 of sales tax but exclusive of any other related charges, including charges for a warranty,
104.10 service, or delivery.

104.11 (d) "Eligible individual" means an individual who:

104.12 (1) is at least 15 years old;

104.13 (2) is a person with a disability;

104.14 (3) is a resident individual taxpayer at the time of application for a rebate certificate and
104.15 in the two previous calendar year years;

104.16 (4) has filed an income tax return for the two taxable years immediately preceding the
104.17 calendar year in which the individual applies for a rebate certificate; and

104.18 ~~(3)~~ (5) was not claimed as a dependent on another return in the taxable year described
104.19 in subdivision 3, paragraph (c).

104.20 (e) "Eligible retailer" means a person who has engaged in the business of retail sales of
104.21 new electric-assisted bicycles for at least six months prior to receiving the approval of the
104.22 commissioner under subdivision 5.

104.23 (f) "Person with a disability" means a person who receives social security disability
104.24 benefits under United States Code, title 42, sections 401 to 434.

104.25 (g) "Qualifying accessories" means a bicycle helmet, lights, lock, luggage rack, basket,
104.26 bag or backpack, fenders, or reflective clothing.

104.27 **EFFECTIVE DATE.** This section is effective for rebates after December 31, 2024.

104.28 Sec. 71. Minnesota Statutes 2024, section 289A.51, subdivision 3, is amended to read:

104.29 Subd. 3. **Amount of rebate.** (a) The amount of a rebate under this section equals the
104.30 lesser of:

105.1 (1) ~~the applicable percentage, multiplied by the amount~~ 75 percent of eligible expenses
105.2 paid by an eligible individual; or

105.3 (2) ~~\$1,500~~ \$750.

105.4 ~~(b) The applicable percentage equals 75 percent, but is reduced by one percentage point~~
105.5 ~~until the percentage equals 50 percent, for each \$4,000 of the eligible individual's adjusted~~
105.6 ~~gross income in excess of:~~

105.7 ~~(1) \$50,000 for a married taxpayer filing a joint return; and~~

105.8 ~~(2) \$25,000 for all other filers.~~

105.9 (b) Eligibility for a rebate under this section is limited to eligible individuals with adjusted
105.10 gross incomes that were not more than:

105.11 (1) \$78,000 in the case of a married eligible individual who filed a joint return; or

105.12 (2) \$41,000 for all other individuals.

105.13 (c) For the purposes of determining the ~~applicable percentage~~ income limit under
105.14 paragraph (b) ~~and subdivision 4, paragraph (a)~~, the commissioner must use the eligible
105.15 individual's adjusted gross income for the taxable year ending in the calendar year prior to
105.16 the year in which the individual applied for a rebate certificate.

105.17 **EFFECTIVE DATE.** This section is effective for rebates after December 31, 2024.

105.18 Sec. 72. Minnesota Statutes 2024, section 289A.51, subdivision 4, is amended to read:

105.19 Subd. 4. **Commissioner to issue rebate certificates.** (a) To qualify for a rebate under
105.20 this section, an eligible individual must apply to the commissioner for a rebate certificate
105.21 in the manner specified by the commissioner prior to purchasing an electric-assisted bicycle.
105.22 As part of the application, the eligible individual must include proof of the individual's
105.23 adjusted gross income for the taxable year specified in subdivision 3, paragraph (c). The
105.24 commissioner must issue a rebate certificate to an eligible individual stating the issuance
105.25 date, the applicable percentage, and the maximum rebate for which the taxpayer is eligible.
105.26 For a married taxpayer filing a joint return, each spouse may apply to the commissioner
105.27 separately, and the commissioner must issue each spouse a separate rebate certificate.

105.28 (b) The commissioner of revenue may determine the date on which to open applications
105.29 for a rebate certificate, and applications must not be submitted before the date determined
105.30 by the commissioner. Beginning July 1, 2024, and July 1 of each subsequent calendar year
105.31 for which there is an allocation of rebate certificates, the commissioner must allocate rebate
105.32 certificates ~~on a first-come, first-served basis. The commissioner must reserve 40 percent~~

~~of the certificates for a married taxpayer filing a joint return with an adjusted gross income of less than \$78,000 or any other filer with an adjusted gross income of less than \$41,000. Any portion of the reserved amount under this paragraph that is not allocated by September 30 is available for allocation to other rebate certificate applications beginning on October 1, to eligible applicants. If the number of total applicants exceeds the available allocation of rebate certificates, the commissioner must allocate certificates through a random lottery.~~

(c) If a random lottery is used to allocate certificates as provided in paragraph (b), the commissioner must, by August 1, 2025, determine a suitably randomized method to allocate the certificates to eligible individuals and must:

(1) detail the department's anticipated timeline for the lottery, including when applications for the lottery by an eligible individual must be made and when the commissioner anticipates distributing the certificates;

(2) establish a method for an eligible individual to apply for placement into the lottery; and

(3) provide the amount of certificates available to be distributed by the department.

(d) The commissioner must not issue rebate certificates totaling more than \$2,000,000 in each of calendar years 2024 and 2025, except any amount authorized but not allocated in any calendar year does not cancel and is added to the allocation for the next calendar year. When calculating the amount of remaining allocations, the commissioner must assume that each allocated but unclaimed certificate reduces the available allocations by \$1,500 \$750.

~~(d)~~ (e) A rebate certificate that is not assigned to a retailer expires two months after the date the certificate was issued and may not be assigned to a retailer after expiration. The amount of any expired rebate certificates is added to the available allocation under paragraph (e) (d).

EFFECTIVE DATE. This section is effective for rebates after December 31, 2024.

Sec. 73. Minnesota Statutes 2024, section 297A.94, is amended to read:

297A.94 DEPOSIT OF REVENUES.

(a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

107.1 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic
107.2 account in the special revenue fund if:

107.3 (1) the taxes are derived from sales and use of property and services purchased for the
107.4 construction and operation of an agricultural resource project; and

107.5 (2) the purchase was made on or after the date on which a conditional commitment was
107.6 made for a loan guaranty for the project under section 41A.04, subdivision 3.

107.7 The commissioner of management and budget shall certify to the commissioner the date on
107.8 which the project received the conditional commitment. The amount deposited in the loan
107.9 guaranty account must be reduced by any refunds and by the costs incurred by the Department
107.10 of Revenue to administer and enforce the assessment and collection of the taxes.

107.11 (c) The commissioner shall deposit the revenues, including interest and penalties, derived
107.12 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,
107.13 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

107.14 (1) first to the general obligation special tax bond debt service account in each fiscal
107.15 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

107.16 (2) after the requirements of clause (1) have been met, the balance to the general fund.

107.17 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit
107.18 in the state treasury the revenues collected under section 297A.64, subdivision 1, including
107.19 interest and penalties and minus refunds, and credit them to the highway user tax distribution
107.20 fund.

107.21 (e) The commissioner shall deposit the revenues, including interest and penalties,
107.22 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the
107.23 general fund. By July 15 of each year the commissioner shall transfer to the highway user
107.24 tax distribution fund an amount equal to the excess fees collected under section 297A.64,
107.25 subdivision 5, for the previous calendar year.

107.26 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit
107.27 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and
107.28 credit to the highway user tax distribution fund an amount equal to the estimated revenues
107.29 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or
107.30 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The
107.31 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph
107.32 based on the amount of revenue deposited under paragraph (d).

108.1 (g) The commissioner must deposit the revenues derived from the taxes imposed under
108.2 section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and
108.3 replacement parts in the state treasury and credit:

108.4 (1) ~~43.5 percent in each fiscal year~~ a percentage to the highway user tax distribution
108.5 fund as follows:

108.6 (i) 43.5 percent in each of fiscal years 2024 to 2027;

108.7 (ii) 36.5 percent in fiscal year 2028;

108.8 (iii) 29.5 percent in fiscal year 2029; and

108.9 (iv) 43.5 percent in fiscal year 2030 and thereafter;

108.10 (2) a percentage to the transportation advancement account under section 174.49 as
108.11 follows:

108.12 (i) 3.5 percent in fiscal year 2024;

108.13 (ii) 4.5 percent in fiscal year 2025;

108.14 (iii) 5.5 percent in fiscal year 2026;

108.15 (iv) 7.5 percent in fiscal year 2027;

108.16 (v) 14.5 percent in fiscal year 2028;

108.17 (vi) 21.5 percent in fiscal year 2029;

108.18 (vii) 28.5 percent in fiscal year 2030;

108.19 (viii) 36.5 percent in fiscal year 2031;

108.20 (ix) 44.5 percent in fiscal year 2032; and

108.21 (x) 56.5 percent in fiscal year 2033 and thereafter; and

108.22 (3) the remainder in each fiscal year to the general fund.

108.23 For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01,
108.24 subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires,
108.25 accessories, and equipment incorporated into or affixed to the motor vehicle as part of the
108.26 motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or
108.27 in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this
108.28 paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially
108.29 made of rubber and if marked according to federal regulations for highway use.

109.1 (h) 81.56 percent of the revenues, including interest and penalties, transmitted to the
109.2 commissioner under section 297A.65, must be deposited by the commissioner in the state
109.3 treasury as follows:

109.4 (1) 47.5 percent of the receipts must be deposited in the heritage enhancement account
109.5 in the game and fish fund, and may be spent only on activities that improve, enhance, or
109.6 protect fish and wildlife resources, including conservation, restoration, and enhancement
109.7 of land, water, and other natural resources of the state;

109.8 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
109.9 be spent only for state parks and trails;

109.10 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
109.11 be spent only on metropolitan park and trail grants;

109.12 (4) three percent of the receipts must be deposited in the natural resources fund, and
109.13 may be spent only on local trail grants;

109.14 (5) two percent of the receipts must be deposited in the natural resources fund, and may
109.15 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
109.16 and the Duluth Zoo; and

109.17 (6) 2.5 percent of the receipts must be deposited in the pollinator account established in
109.18 section 103B.101, subdivision 19.

109.19 (i) 1.5 percent of the revenues, including interest and penalties, transmitted to the
109.20 commissioner under section 297A.65 must be deposited in a regional parks and trails account
109.21 in the natural resources fund and may only be spent for parks and trails of regional
109.22 significance outside of the seven-county metropolitan area under section 85.535, based on
109.23 recommendations from the Greater Minnesota Regional Parks and Trails Commission under
109.24 section 85.536.

109.25 (j) 1.5 percent of the revenues, including interest and penalties, transmitted to the
109.26 commissioner under section 297A.65 must be deposited in an outdoor recreational
109.27 opportunities for underserved communities account in the natural resources fund and may
109.28 only be spent on projects and activities that connect diverse and underserved Minnesotans
109.29 through expanding cultural environmental experiences, exploration of their environment,
109.30 and outdoor recreational activities.

109.31 (k) The revenue dedicated under paragraph (h) may not be used as a substitute for
109.32 traditional sources of funding for the purposes specified, but the dedicated revenue shall
109.33 supplement traditional sources of funding for those purposes. Land acquired with money

110.1 deposited in the game and fish fund under paragraph (h) must be open to public hunting
110.2 and fishing during the open season, except that in aquatic management areas or on lands
110.3 where angling easements have been acquired, fishing may be prohibited during certain times
110.4 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
110.5 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
110.6 resources under paragraph (h) must be allocated for field operations.

110.7 (l) The commissioner must deposit the revenues, including interest and penalties minus
110.8 any refunds, derived from the sale of items regulated under section 624.20, subdivision 1,
110.9 that may be sold to persons 18 years old or older and that are not prohibited from use by
110.10 the general public under section 624.21, in the state treasury and credit:

110.11 (1) 25 percent to the volunteer fire assistance grant account established under section
110.12 88.068;

110.13 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
110.14 3; and

110.15 (3) the remainder to the general fund.

110.16 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
110.17 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
110.18 sold to persons 18 years old or older and are not prohibited from use by the general public
110.19 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
110.20 the state, with the percentage determined under Laws 2017, First Special Session chapter
110.21 1, article 3, section 39.

110.22 (m) The revenues deposited under paragraphs (a) to (l) do not include the revenues,
110.23 including interest and penalties, generated by the sales tax imposed under section 297A.62,
110.24 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
110.25 article XI, section 15.

110.26 Sec. 74. Minnesota Statutes 2024, section 299A.55, subdivision 2, is amended to read:

110.27 Subd. 2. **Railroad and pipeline safety account.** (a) A railroad and pipeline safety
110.28 account is created in the special revenue fund. The account consists of funds collected under
110.29 subdivision 4 and funds donated, allotted, transferred, or otherwise provided to the account.

110.30 ~~(b) \$560,000 is annually appropriated from the railroad and pipeline safety account to~~
110.31 ~~the commissioner of the Pollution Control Agency for environmental protection activities~~
110.32 ~~related to railroad discharge preparedness under chapter 115E.~~

111.1 ~~(e) \$750,000 in fiscal year 2024 and \$1,500,000 in each subsequent fiscal year are~~
111.2 ~~transferred from the railroad and pipeline safety account to the grade crossing safety account~~
111.3 ~~under section 219.1651.~~

111.4 ~~(d) Following the appropriation in paragraph (b) and the transfer in paragraph (e), the~~
111.5 ~~remaining money in the account is annually appropriated to the commissioner of public~~
111.6 ~~safety for the purposes specified in subdivision 3.~~

111.7 ~~(e) (b)~~ By January 15, 2026, the commissioner of public safety must submit a report on
111.8 the railroad and pipeline safety account to the chairs and ranking minority members of the
111.9 legislative committees with jurisdiction over transportation policy and finance. The report
111.10 must list detailed revenues to and expenditures from the account for the previous two fiscal
111.11 years and must include information on the purpose of each expenditure.

111.12 ~~(f) (c)~~ If the balance of the account at the end of a fiscal biennium is greater than
111.13 \$2,000,000, the amount above \$2,000,000 must be transferred to the grade crossing safety
111.14 account under section 219.1651.

111.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

111.16 Sec. 75. Minnesota Statutes 2024, section 299A.55, subdivision 4, is amended to read:

111.17 Subd. 4. **Assessments.** (a) The commissioner of public safety must annually assess
111.18 ~~\$4,000,000~~ \$3,418,000 to railroad and pipeline companies based on the formula specified
111.19 ~~in paragraph (b). The commissioner must deposit funds collected under this subdivision in~~
111.20 ~~the railroad and pipeline safety account under subdivision 2.~~

111.21 ~~(b) The assessment for each railroad is 70 percent of the total annual assessment amount,~~
111.22 ~~divided in equal proportion between among applicable rail carriers based on route miles~~
111.23 ~~operated in Minnesota. The assessment for each pipeline company is 30 percent of the total~~
111.24 ~~annual assessment amount~~ Of the amount collected annually under this paragraph:

111.25 (1) \$560,000 is deposited in the railroad and pipeline safety account and appropriated
111.26 to the commissioner of the Pollution Control Agency for environmental protection activities
111.27 related to railroad discharge preparedness under chapter 115E;

111.28 (2) \$1,500,000 is deposited in the grade crossing safety account under section 219.1651;
111.29 and

111.30 (3) the remainder is deposited in the railroad and pipeline safety account and appropriated
111.31 to the commissioner of public safety for the purposes specified in subdivision 3.

112.1 (b) The commissioner of public safety must annually assess \$582,000 to pipeline
 112.2 companies, divided in equal proportion ~~between~~ among companies based on the yearly
 112.3 aggregate gallons of oil and other hazardous substances transported by pipeline in Minnesota.
 112.4 Money collected under this paragraph is deposited in the railroad and pipeline safety account
 112.5 and appropriated to the commissioner of public safety for the purposes specified in
 112.6 subdivision 3.

112.7 (c) In addition to the ~~amount~~ amounts identified in ~~paragraph~~ paragraphs (a) and (b),
 112.8 the commissioner must assess the rail carrier or pipeline company involved in an incident
 112.9 compelling a significant response for all postincident review and analysis costs under
 112.10 subdivision 5 incurred by the state and local units of government. This paragraph applies
 112.11 regardless of whether an assessment is imposed under paragraph (a) or (b) in a fiscal year.

112.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

112.13 Sec. 76. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision
 112.14 to read:

112.15 Subd. 22a. **Coordinated unmanned aircraft system fleet event for entertainment**
 112.16 **purposes.** "Coordinated unmanned aircraft system fleet event for entertainment purposes"
 112.17 means a one-day event involving a group of unmanned aircraft systems flying together as
 112.18 a unified and coordinated entity to accomplish a shared entertainment objective, including
 112.19 but not limited to choreographed flight patterns, synchronized lighting, and music for visual
 112.20 displays.

112.21 Sec. 77. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision
 112.22 to read:

112.23 Subd. 23a. **Electronic attestation.** "Electronic attestation" means a statement of fact or
 112.24 confirmation, submitted by the owner in digital form, regarding the ownership and status
 112.25 of an aircraft and its compliance with applicable regulations. For purposes of this subdivision,
 112.26 "aircraft" includes unmanned aircraft systems.

112.27 Sec. 78. Minnesota Statutes 2024, section 360.55, subdivision 4, is amended to read:

112.28 Subd. 4. **Collector's aircraft.** (a) For purposes of this subdivision:

112.29 (1) "antique aircraft" means an aircraft constructed by the original manufacturer, or its
 112.30 licensee, on or before December 31, 1945, with the exception of certain pre-World War II
 112.31 aircraft models that had only a small postwar production, such as Beechcraft Staggerwing,
 112.32 Fairchild 24, and Monocoupe; and

113.1 (2) "classic aircraft" means an aircraft constructed by the original manufacturer, or its
113.2 licensee, on or after January 1, 1946, and has a first year of life that precedes the date of
113.3 registration by at least 50 years.

113.4 (b) If an antique or classic aircraft is owned and operated solely as a collector's item, its
113.5 owner ~~may~~ must list it for taxation and registration ~~as follows~~ and execute an electronic
113.6 attestation or sworn affidavit stating: A sworn affidavit must be executed stating

113.7 (1) the name and address of the owner;₂

113.8 (2) the name and address of the ~~person from whom purchased,~~ seller;

113.9 (3) the aircraft's make, year, model number, federal aircraft registration number, and
113.10 manufacturer's identification number;₂ and

113.11 (4) that the aircraft is owned and operated solely as a collector's item and not for general
113.12 transportation or commercial operations purposes.

113.13 The electronic attestation or sworn affidavit must be ~~filed with~~ submitted to the commissioner
113.14 along with a fee of \$25.

113.15 (c) Upon satisfaction that the electronic attestation or sworn affidavit is true and correct,
113.16 the commissioner ~~shall~~ must issue ~~to the applicant~~ a registration certificate to the applicant.
113.17 The registration certificate is valid without renewal as long as the owner operates the aircraft
113.18 solely as a collector's item.

113.19 (d) ~~Should~~ If an antique or classic aircraft ~~be~~ is operated other than as a collector's item,
113.20 the registration certificate becomes void, and the owner ~~shall~~ must list the aircraft for taxation
113.21 and registration ~~in accordance with the other provisions of~~ under sections 360.511 to 360.67.

113.22 (e) Upon the sale of an antique or classic aircraft, the new owner must list the aircraft
113.23 for taxation and registration in accordance with this subdivision, including the payment of
113.24 a \$5 fee to transfer the registration to the new owner, ~~or the other provisions of~~ under sections
113.25 360.511 to 360.67, whichever is applicable.

113.26 Sec. 79. Minnesota Statutes 2024, section 360.55, subdivision 4a, is amended to read:

113.27 Subd. 4a. **Recreational aircraft; classic license.** (a) An aircraft that has a base price
113.28 for tax purposes under section 360.531 of \$10,000 or less; and ~~that~~ is owned and operated
113.29 solely for recreational purposes; may be listed for taxation and registration by executing a
113.30 an electronic attestation or sworn affidavit stating:

113.31 (1) the name and address of the owner;₂

114.1 (2) the name and address of the ~~person from whom purchased~~, seller;

114.2 (3) the aircraft's make, year, model number, federal aircraft registration number, and
114.3 manufacturer's identification number;; and

114.4 (4) that the aircraft is owned and operated solely as a recreational aircraft and not for
114.5 commercial operational purposes.

114.6 The electronic attestation or sworn affidavit must be ~~filed with~~ submitted to the commissioner
114.7 along with an annual \$25 fee.

114.8 (b) ~~On being satisfied~~ Upon satisfaction that the electronic attestation or sworn affidavit
114.9 is true and correct, the commissioner ~~shall~~ must issue ~~to the applicant~~ a registration certificate
114.10 to the applicant.

114.11 (c) ~~Should~~ If the aircraft ~~be~~ is operated other than as a recreational aircraft, the owner
114.12 ~~shall~~ must list the aircraft for taxation and registration and pay the appropriate registration
114.13 fee under sections 360.511 to 360.67.

114.14 (d) If the aircraft is sold, the new owner ~~shall~~ must list the aircraft for taxation and
114.15 registration under this subdivision, including the payment of the annual \$25 fee, or under
114.16 sections 360.511 to 360.67, whichever is applicable.

114.17 Sec. 80. Minnesota Statutes 2024, section 360.55, subdivision 8, is amended to read:

114.18 Subd. 8. **Agricultural aircraft.** Aircraft registered with the Federal Aviation
114.19 Administration as restricted category aircraft used for agricultural purposes must be listed
114.20 for taxation and registration ~~upon filing by the owner a sworn affidavit with~~. The owner
114.21 must execute and submit an annual electronic attestation or sworn affidavit to the
114.22 commissioner. The electronic attestation or sworn affidavit must state:

114.23 (1) the name and address of the owner;

114.24 (2) the name and address of the ~~person from whom purchased~~ seller;

114.25 (3) the aircraft's make, year, model number, federal registration number, and
114.26 manufacturer's identification number; and

114.27 (4) that the aircraft is owned and operated solely for agricultural operations and purposes.

114.28 The owner ~~shall file the~~ must submit an electronic attestation or a sworn affidavit to the
114.29 commissioner and pay an annual fee established under sections 360.511 to 360.67, which
114.30 must not exceed \$500. ~~Should~~ If the aircraft ~~be~~ is operated other than for agricultural
114.31 purposes, the owner ~~shall~~ must list the aircraft for taxation and registration under sections

115.1 360.511 to 360.67. If the aircraft is sold, the new owner ~~shall~~ must list the aircraft for taxation
115.2 and registration under this subdivision or under sections 360.511 to 360.67, as applicable.

115.3 Sec. 81. Minnesota Statutes 2024, section 360.55, subdivision 9, is amended to read:

115.4 Subd. 9. **Small unmanned aircraft systems.** (a) Any small unmanned aircraft system
115.5 in which the unmanned aircraft system weighs less than 55 pounds at takeoff, including
115.6 payload and anything affixed to the aircraft system, either:

115.7 (1) must be registered in the state for an annual fee of \$25; or

115.8 (2) is not subject to registration or an annual fee if the unmanned aircraft system is owned
115.9 and operated solely for recreational purposes.

115.10 (b) An unmanned aircraft system that meets the requirements under paragraph (a) is
115.11 exempt from aircraft registration tax under sections 360.511 to 360.67.

115.12 Sec. 82. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to
115.13 read:

115.14 Subd. 10. **Coordinated unmanned aircraft system fleets.** (a) An operator planning to
115.15 conduct a coordinated unmanned aircraft system fleet event for entertainment purposes, as
115.16 defined in section 360.511, subdivision 22a, must register the fleet at least 15 days before
115.17 the event.

115.18 (b) The registration under this subdivision must include:

115.19 (1) the name and contact information of the event organizer;

115.20 (2) the date, time, and location of the event;

115.21 (3) the number of unmanned aircraft systems to be used;

115.22 (4) proof of liability insurance for the unmanned aircraft systems;

115.23 (5) a copy of the operator's unmanned aircraft systems pilot's license; and

115.24 (6) a copy of the commercial operator's license.

115.25 (c) A daily registration fee of \$2 per unmanned aircraft system used in the fleet applies
115.26 to fleets registered under this subdivision. This fee is in lieu of the registration fee in
115.27 subdivision 9. Fleets registered under this subdivision are exempt from the aircraft registration
115.28 tax under sections 360.511 to 360.67.

Sec. 83. Minnesota Statutes 2024, section 473.129, is amended by adding a subdivision to read:

Subd. 13. **Direct negotiation.** Notwithstanding section 471.345, if the estimated total contractual obligation of the council for a directly negotiated contract or contracts for construction work or maintenance work on any single project does not exceed the amount in section 161.32, subdivision 2, the council may enter into a contract by direct negotiation by obtaining two or more quotations for the work without advertising for bids or otherwise complying with the requirements of competitive bidding.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 84. Minnesota Statutes 2024, section 473.13, subdivision 1, is amended to read:

Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall adopt a final budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. The budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The budget shall state in detail the capital expenditures of the council for the budget year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget and no later than five working days after December 20, the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by the statute authorizing the levy.

~~(b) Each even-numbered year the council shall prepare for its transit programs a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the council during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium.~~

~~(e)~~ (b) In addition, the budget must show for each year:

117.1 (1) the estimated operating revenues from all sources including funds on hand at the
117.2 beginning of the year, and estimated expenditures for costs of operation, administration,
117.3 maintenance, and debt service;

117.4 (2) capital improvement funds estimated to be on hand at the beginning of the year and
117.5 estimated to be received during the year from all sources and estimated cost of capital
117.6 improvements to be paid out or expended during the year, all in such detail and form as the
117.7 council may prescribe; and

117.8 (3) the estimated source and use of pass-through funds.

117.9 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
117.10 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
117.11 and Scott.

117.12 Sec. 85. Minnesota Statutes 2024, section 473.13, subdivision 6, is amended to read:

117.13 Subd. 6. **Transportation financial review.** (a) Annually by January 15, the council
117.14 must submit a financial review that details revenue and expenditures for the transportation
117.15 components under the council's budget, as specified in paragraph (c). A financial review
117.16 submitted under this paragraph must provide the information using state fiscal years.

117.17 (b) Annually by the earlier of the accounting close of a budget year or August 15, the
117.18 council must submit a financial review update that provides the following for the most
117.19 recent completed budget year: actual revenues; expenditures; transfers; reserves; balances;
117.20 and a comparison between the budgeted and actual amounts. A financial review update
117.21 under this paragraph must include the information specified in paragraph (d).

117.22 (c) At a minimum, a financial review must identify:

117.23 (1) the actual revenues, expenditures, transfers, reserves, and balances in each of the
117.24 previous four years;

117.25 (2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances in
117.26 the current year and each year within the state forecast period;

117.27 (3) for the most recent completed year, a comparison between the budgeted and actual
117.28 amounts under clause (1); and

117.29 (4) for the most recent completed year, fund balances for each replacement service
117.30 provider under section 473.388. By December 15 each year, each replacement service
117.31 provider under section 473.388 must report to the council the provider's projected total

118.1 operating expenditures and projected operating reserve fund balance as of the previous
118.2 December 31.

118.3 (d) The information under paragraph (c), clauses (1) to (3), must include:

118.4 (1) a breakdown by each transportation funding source identified by the council, including
118.5 but not limited to legislative appropriations; federal funds; fare collections; property tax;
118.6 and sales tax, including sales tax used for active transportation under section 473.4465,
118.7 subdivision 2, paragraph (a), clause (1);

118.8 (2) a breakdown by each transportation operating budget category established by the
118.9 council, including but not limited to bus, light rail transit, commuter rail, planning, special
118.10 transportation service under section 473.386, and assistance to replacement service providers
118.11 under section 473.388; and

118.12 (3) data for operations, capital maintenance, and transit capital.

118.13 (e) A financial review under paragraph (a) or (b) must provide information or a
118.14 methodology sufficient to establish a conversion between state fiscal years and budget years,
118.15 summarize reserve policies, identify the methodology for cost allocation, and describe
118.16 revenue assumptions and variables affecting the assumptions.

118.17 (f) The council must submit each financial review to the chairs and ranking minority
118.18 members of the legislative committees and divisions with jurisdiction over transportation
118.19 policy and finance and to the commissioner of management and budget.

118.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
118.21 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
118.22 and Scott.

118.23 Sec. 86. Minnesota Statutes 2024, section 473.142, is amended to read:

118.24 **473.142 SMALL BUSINESSES.**

118.25 (a) The Metropolitan Council and agencies specified in section 473.143, subdivision 1,
118.26 may award ~~up to a six percent preference in the amount bid~~ up to the percentage under
118.27 section 16C.16, subdivision 6, paragraph (a), for specified goods or services to small targeted
118.28 group businesses and veteran-owned small businesses designated under section 16C.16.
118.29 The council and each agency specified in section 473.143, subdivision 1, may award a
118.30 preference up to the percentage under section 161.321, subdivision 2, paragraph (a), in the
118.31 amount bid for specified construction work to small targeted group businesses and
118.32 veteran-owned small businesses designated under section 16C.16.

119.1 (b) The council and each agency specified in section 473.143, subdivision 1, may
119.2 designate a ~~purchase of~~ contract for construction, goods, or services for award only to small
119.3 targeted group businesses designated under section 16C.16 if the council or agency
119.4 determines that at least three small targeted group businesses are likely to ~~bid~~ respond to a
119.5 solicitation. The council and each agency specified in section 473.143, subdivision 1, may
119.6 designate a ~~purchase of~~ contract for construction, goods, or services for award only to
119.7 veteran-owned small businesses designated under section 16C.16 if the council or agency
119.8 determines that at least three veteran-owned small businesses are likely to ~~bid~~ respond to a
119.9 solicitation.

119.10 (c) The council and each agency specified in section 473.143, subdivision 1, as a condition
119.11 of awarding a ~~construction contract~~ or approving a contract for ~~consultant, professional, or~~
119.12 ~~technical services~~, may set goals that require the prime contractor to subcontract a portion
119.13 of the contract to small targeted group businesses and veteran-owned small businesses
119.14 designated under section 16C.16. The council or agency must establish a procedure for
119.15 granting waivers from the subcontracting requirement when qualified small targeted group
119.16 businesses and veteran-owned small businesses are not reasonably available. The council
119.17 or agency may establish financial incentives for prime contractors who exceed the goals
119.18 for use of subcontractors and financial penalties for prime contractors who fail to meet goals
119.19 under this paragraph. The subcontracting requirements of this paragraph do not apply to
119.20 prime contractors who are small targeted group businesses and veteran-owned small
119.21 businesses. At least 75 percent of the value of the subcontracts awarded to small targeted
119.22 group businesses under this paragraph must be performed by the business to which the
119.23 subcontract is awarded or by another small targeted group business. At least 75 percent of
119.24 the value of the subcontracts awarded to veteran-owned small businesses under this paragraph
119.25 must be performed by the business to which the subcontract is awarded or another
119.26 veteran-owned small business.

119.27 (d) The council and each agency listed in section 473.143, subdivision 1, ~~are encouraged~~
119.28 ~~to purchase from~~ may award a contract for construction, goods, or services directly to small
119.29 targeted group businesses and or veteran-owned small businesses designated under section
119.30 16C.16 ~~when making purchases that are not subject to competitive bidding procedures, up~~
119.31 to a total contract award value, including extension options, of the amount specified in
119.32 section 16C.16, subdivision 6, paragraph (b), without completing a competitive solicitation
119.33 process.

119.34 (e) The council and each agency may adopt rules to implement this section.

120.1 (f) Each council or agency contract must require the prime contractor to pay any
120.2 subcontractor within ten days of the prime contractor's receipt of payment from the council
120.3 or agency for undisputed services provided by the subcontractor. The contract must require
120.4 the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to
120.5 the subcontractor on any undisputed amount not paid on time to the subcontractor. The
120.6 minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10.
120.7 For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty
120.8 due to the subcontractor. A subcontractor who prevails in a civil action to collect interest
120.9 penalties from a prime contractor must be awarded its costs and disbursements, including
120.10 attorney fees, incurred in bringing the action.

120.11 (g) This section does not apply to procurement financed in whole or in part with federal
120.12 funds if the procurement is subject to federal disadvantaged, minority, or women business
120.13 enterprise regulations. The council and each agency shall report to the commissioner of
120.14 administration on compliance with this section. The information must be reported at the
120.15 time and in the manner requested by the commissioner.

120.16 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
120.17 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
120.18 Scott, and Washington.

120.19 Sec. 87. Minnesota Statutes 2024, section 473.1425, is amended to read:

120.20 **473.1425 WORKING CAPITAL FUND.**

120.21 The Metropolitan Council or a metropolitan agency defined in section 473.121,
120.22 subdivision 5a, to the extent allowed by other law or contract, may grant available money
120.23 that has been appropriated for socially or economically disadvantaged business programs
120.24 to a guaranty fund administered by a nonprofit organization that makes or guarantees working
120.25 capital loans to businesses owned and operated by a socially or and economically
120.26 disadvantaged persons individual as defined in Code of Federal Regulations, title 49, section
120.27 23.5 26.5. The purpose of loans made or guaranteed by the organization must be to provide
120.28 short-term working capital to enable eligible businesses to be awarded participate in contracts
120.29 for goods and services or for construction related services from government agencies.

120.30 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
120.31 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
120.32 Scott, and Washington.

121.1 Sec. 88. Minnesota Statutes 2024, section 473.386, subdivision 10, is amended to read:

121.2 Subd. 10. **Forecasted funding.** (a) For purposes of this subdivision, "biennium" and
121.3 "fiscal year" have the meanings given in section 16A.011, subdivisions 6 and 14, respectively.

121.4 (b) In each February and November forecast of state revenues and expenditures under
121.5 section 16A.103, the commissioner of management and budget must incorporate a state
121.6 obligation from the general fund for the annual net costs to the council to implement the
121.7 special transportation service under this section. Notwithstanding section 16A.11, subdivision
121.8 3, the appropriation base in each fiscal year of the upcoming biennium is as determined in
121.9 this subdivision.

121.10 (c) The commissioner must determine net costs under paragraph (b) as:

121.11 (1) the amount necessary to:

121.12 (i) maintain service levels accounting for expected demand, including service area, hours
121.13 of service, ride scheduling requirements, and fares per council policy;

121.14 (ii) maintain the general existing condition of the special transportation service bus fleet,
121.15 including bus maintenance and replacement; and

121.16 (iii) meet the requirements of this section; plus

121.17 (2) the amount of forecast adjustments, as determined by the commissioner of
121.18 management and budget in consultation with the council, necessary to match (i) actual
121.19 special transportation service program costs in the prior fiscal year, and (ii) adjusted program
121.20 costs forecasted for the second year of the current biennium, for a forecast prepared in the
121.21 first year of the biennium; less

121.22 (3) funds identified for the special transportation service from nonstate sources.

121.23 (d) In conjunction with each February and November forecast, the council must submit
121.24 a financial review of the special transportation service to the chairs and ranking minority
121.25 members of the legislative committees with jurisdiction over transportation policy and
121.26 finance and to the commissioner of management and budget. At a minimum, the financial
121.27 review must include:

121.28 (1) a summary of special transportation service sources of funds ~~and expenditures for~~
121.29 ~~the prior two fiscal years and~~ each fiscal year of the forecast period, which must include:

121.30 (i) a breakout by expenditures categories; and

121.31 (ii) information that is sufficient to identify a conversion between state fiscal years and
121.32 the fiscal years of the council;

122.1 (2) details on cost assumptions used in the forecast;

122.2 (3) information on ridership and farebox recovery rates for the prior two fiscal years
122.3 and each fiscal year of the forecast period;

122.4 (4) identification of the amount of appropriations necessary for any forecast adjustments
122.5 as identified under paragraph (c), clause (2); and

122.6 (5) information as prescribed by the commissioner.

122.7 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
122.8 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
122.9 and Scott.

122.10 Sec. 89. Minnesota Statutes 2024, section 473.408, is amended by adding a subdivision
122.11 to read:

122.12 **Subd. 11. Transit service for certified disabled riders.** (a) The council must provide
122.13 regular route transit, as defined in section 473.385, subdivision 1, free of charge to an
122.14 individual who is:

122.15 (1) certified as disabled under the Americans with Disabilities Act requirements of the
122.16 Federal Transit Administration; or

122.17 (2) certified by the council under section 473.386, subdivision 2a.

122.18 (b) The requirements under this subdivision apply to operators of regular route transit
122.19 receiving financial assistance under section 473.388 or operating under section 473.405,
122.20 subdivision 12.

122.21 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2025, and
122.22 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

122.23 Sec. 90. Minnesota Statutes 2024, section 473.412, subdivision 3, is amended to read:

122.24 **Subd. 3. Report required; cleaning standards and expenditures.** (a) ~~By October 1,~~
122.25 ~~2024, and every year thereafter,~~ Annually by February 15, the Metropolitan Council must
122.26 report to the chairs and ranking minority members of the legislative committees with
122.27 jurisdiction over transit policy and finance on transit cleanliness and the ridership experience.

122.28 (b) The report under paragraph (a) must provide information on the council's cleanliness
122.29 standards required under subdivision 2, including whether the council adopted new
122.30 cleanliness standards or revisions to current cleanliness standards. A report prepared under
122.31 this subdivision must include information gathered from the required public feedback on

123.1 cleanliness and rider experience required in subdivision 2, paragraph (b). The council must
123.2 consider and recommend revisions to cleanliness standards based on the collection of public
123.3 feedback and must summarize feedback received by the council in the report.

123.4 (c) A report submitted under this subdivision must include:

123.5 (1) the total expenditures for cleaning and repairing transit stations and transit vehicles;

123.6 (2) the frequency, type, and location of repairs;

123.7 (3) whether specific transit stations needed a higher proportion of cleaning or repairs
123.8 and detail the council's strategy to resolve identified and persistent concerns at those
123.9 locations;

123.10 (4) recommendations to address workforce challenges for the implementation and
123.11 maintenance of cleanliness and repair standards adopted by the council, including whether
123.12 the council maintained agreements with third-party services for cleaning and repair; and

123.13 (5) whether the council has adopted preventative measures against vandalism or graffiti;
123.14 and.

123.15 ~~(6) any recommendations for additions to the transit rider code of conduct under section~~
123.16 ~~473.4065 or the transit rider investment program under section 473.4075.~~

123.17 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
123.18 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
123.19 and Scott.

123.20 Sec. 91. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision
123.21 to read:

123.22 **Subd. 2a. Use of funds; Metropolitan Council; loan authorized.** From the amounts
123.23 in subdivision 2, paragraph (a), clause (2), the council is authorized to make a zero-interest
123.24 loan to the Department of Transportation up to \$250,000,000 to advance and coordinate
123.25 highway construction with one major transitway project in the metropolitan area. Funds
123.26 may be used for any costs related to the selected project, including but not limited to
123.27 construction, engineering, and administration. The loan agreement, including repayment
123.28 terms, must be mutually agreed to by the council and the Department of Transportation.

124.1 Sec. 92. Laws 2023, chapter 68, article 4, section 109, is amended to read:

124.2 Sec. 109. **TRAFFIC SAFETY VIOLATIONS DISPOSITION ANALYSIS.**

124.3 (a) The commissioner of public safety must enter into an agreement with the Center for
124.4 Transportation Studies at the University of Minnesota to conduct an evaluation of the
124.5 disposition in recent years of citations for speeding, impairment, distraction, and seatbelt
124.6 violations. The evaluation under the agreement must include but is not limited to analysis
124.7 of:

124.8 (1) rates of citations issued compared to rates of citations contested in court and the
124.9 outcomes of the cases;

124.10 (2) amounts of fines imposed compared to counts and amounts of fine payments; and

124.11 (3) any related changes in patterns of traffic enforcement from 2017 to 2022.

124.12 (b) The agreement must require the Center for Transportation Studies to submit an
124.13 interim progress report by July 1, 2024, and a final report by ~~July 1, 2025~~ January 15, 2026,
124.14 to the commissioner and the chairs and ranking minority members of the legislative
124.15 committees with jurisdiction over transportation policy and finance and public safety.

124.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

124.17 Sec. 93. Laws 2024, chapter 127, article 3, section 61, is amended to read:

124.18 Sec. 61. Minnesota Statutes 2022, section 169.974, subdivision 5, is amended to read:

124.19 Subd. 5. **Driving rules.** (a) An operator of a motorcycle must ride only upon a permanent
124.20 and regular seat which is attached to the vehicle for that purpose. No other person may ride
124.21 on a motorcycle, except that passengers may ride (1) upon a permanent and regular operator's
124.22 seat if designed for two persons, (2) upon additional seats attached to or in the vehicle, or
124.23 (3) in a sidecar attached to the vehicle. The operator of a motorcycle is prohibited from
124.24 carrying passengers in a number in excess of the designed capacity of the motorcycle or
124.25 sidecar attached to it. A passenger is prohibited from being carried in a position that interferes
124.26 with the safe operation of the motorcycle or the view of the operator.

124.27 (b) No person may ride upon a motorcycle as a passenger unless the person can reach
124.28 the footrests or floorboards with both feet.

124.29 (c) Except for passengers of sidecars, drivers and passengers of three-wheeled
124.30 motorcycles, and persons in an autocycle, no person may operate or ride upon a motorcycle

125.1 except while sitting astride the seat, facing forward, with one leg on either side of the
125.2 motorcycle.

125.3 (d) No person may operate a motorcycle while carrying animals, packages, bundles, or
125.4 other cargo that prevent the person from keeping both hands on the handlebars.

125.5 (e) Motorcycles may, with the consent of both drivers, be operated not more than two
125.6 abreast in a single traffic lane if the vehicles fit safely within the designated space of the
125.7 lane.

125.8 (f) Except under the conditions specified in paragraph (g), no person may operate a
125.9 motorcycle:

125.10 (1) between lanes of moving or stationary vehicles headed in the same direction of travel;

125.11 (2) abreast of moving or stationary vehicles within the same traffic lane; or

125.12 (3) to overtake or pass another vehicle within the same traffic lane.

125.13 (g) A person may operate a motorcycle ~~and overtake and pass another vehicle in between~~
125.14 lanes of stationary vehicles headed in the same direction of travel and, within the same
125.15 traffic lane of a stationary vehicle, or on the shoulder of a highway abreast of stationary
125.16 traffic headed in the same direction of travel if the motorcycle is operated:

125.17 ~~(1) at not more than 25 miles per hour; and~~

125.18 ~~(2) no more than 15 miles per hour over the speed of traffic in the relevant traffic lanes.~~

125.19 For purposes of this paragraph, "traffic lane" does not include:

125.20 (1) the approach, drive-through, or exit of a roundabout;

125.21 (2) a work zone where only a single travel lane is available for use; or

125.22 (3) a school zone established under section 169.14, subdivision 5a.

125.23 (h) Motor vehicles including motorcycles are entitled to the full use of a traffic lane and
125.24 no motor vehicle may be driven or operated in a manner so as to deprive a motorcycle of
125.25 the full use of a traffic lane.

125.26 (i) A person operating a motorcycle upon a roadway must be granted the rights and is
125.27 subject to the duties applicable to a motor vehicle as provided by law, except as to those
125.28 provisions which by their nature can have no application.

125.29 (j) Paragraphs (e) and (f) of this subdivision do not apply to police officers in the
125.30 performance of their official duties.

126.1 (k) No person may operate a motorcycle on a street or highway unless the headlight or
126.2 headlights are lighted at all times the motorcycle is so operated.

126.3 (l) A person parking a motorcycle on the roadway of a street or highway must:

126.4 (1) if parking in a marked parking space, park the motorcycle completely within the
126.5 marked space; and

126.6 (2) park the motorcycle in such a way that the front of the motorcycle is pointed or
126.7 angled toward the nearest lane of traffic to the extent practicable and necessary to allow the
126.8 operator to (i) view any traffic in both directions of the street or highway without having
126.9 to move the motorcycle into a lane of traffic and without losing balance or control of the
126.10 motorcycle, and (ii) ride the motorcycle forward and directly into a lane of traffic when the
126.11 lane is sufficiently clear of traffic.

126.12 Sec. 94. Laws 2024, chapter 127, article 3, section 61, the effective date, is amended to
126.13 read:

126.14 **EFFECTIVE DATE.** This section is effective July 1, ~~2025~~ 2026.

126.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

126.16 Sec. 95. **ADDITIONAL FULL-SERVICE PROVIDER FOR CIRCLE PINES.**

126.17 Notwithstanding Minnesota Statutes, sections 168.33 and 171.061, and rules adopted
126.18 by the commissioner of public safety limiting sites for the office of deputy registrar or
126.19 driver's license agent based on either the distance to an existing deputy registrar or driver's
126.20 license agent office or the annual volume of transactions processed by any deputy registrar
126.21 or driver's license agent before or after the proposed appointment, the commissioner of
126.22 public safety must appoint the deputy registrar of motor vehicles currently at 9201 Lexington
126.23 Avenue North in the city of Circle Pines as a driver's license agent to operate as a full-service
126.24 office. The addition of a driver's license agent establishes the location as a full-service office
126.25 with full authority to function as a registration and motor vehicle tax collection and driver's
126.26 license bureau. All other provisions regarding the appointment and operation of a deputy
126.27 registrar of motor vehicles and driver's license agent under Minnesota Statutes, sections
126.28 168.33 and 171.061, and Minnesota Rules, chapters 7404 and 7406, apply to the office.

126.29 Sec. 96. **AUTONOMOUS MOWERS RESEARCH AND DEVELOPMENT.**

126.30 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
126.31 the meanings given.

127.1 (b) "Autonomous mower" means a robotic or automated device designed, programmed,
127.2 and operated to cut grass or vegetation with predefined routes to minimize the need for
127.3 manual assistance or intervention.

127.4 (c) "Commissioner" means the commissioner of transportation.

127.5 (d) "Department" means the Minnesota Department of Transportation.

127.6 Subd. 2. **Research and development authorized.** (a) The commissioner must conduct
127.7 research on the use of automation and robotics for mowing and vegetation management at
127.8 property owned by the department. The research must examine the use of autonomous
127.9 mower technology at the following locations:

127.10 (1) rest areas;

127.11 (2) highway rights-of-way, including ditches, shoulders, or other varied or sloped terrain;
127.12 or

127.13 (3) other roadside or public-facing property owned by the department.

127.14 (b) The research must examine the use of autonomous mowing technology for mowing
127.15 or vegetation management by other states or government entities. The research conducted
127.16 under this section must analyze different configurations and types of autonomous mowers,
127.17 including mowers that require different levels of human intervention, to research for future
127.18 statewide deployment at rest areas, at or along the trunk highway system, or on other property
127.19 owned by the department.

127.20 (c) The commissioner must research the current and potential commercial availability
127.21 of autonomous mowing products used by public or private entities for applications that
127.22 include but are not limited to rest area mowing, highway right-of-way ditch mowing,
127.23 vegetation management, or other applications related to property or roadside maintenance.

127.24 (d) The commissioner must include research on Minnesota-based companies engaged
127.25 in autonomous mower technology. If the commissioner elects to purchase autonomous
127.26 mower technology for research under this section, the commissioner must purchase the
127.27 technology from a Minnesota-based company.

127.28 (e) The research must analyze whether an autonomous mower can operate safely in
127.29 varied terrain, including ditches, and navigate obstacles such as culvert ends, guardrails,
127.30 signposts, other barriers, and unexpected debris that may be found on or alongside a highway
127.31 right-of-way. The research must examine the potential impact of autonomous mowing
127.32 technology on worker safety and maintenance staffing needs.

128.1 (f) The commissioner must propose an autonomous mower pilot project to further study
128.2 and examine the challenges to implementing autonomous mower technology into roadside
128.3 vegetation management activities. The proposed pilot project must include the proposed
128.4 location for the pilot project, the autonomous mower activities examined, and the anticipated
128.5 timeline for implementation of the proposed pilot project.

128.6 Subd. 3. **Report.** By February 15, 2027, the commissioner must submit a report to the
128.7 chairs and ranking minority members of the legislative committees with jurisdiction over
128.8 transportation finance and policy on the results of the autonomous mower research authorized
128.9 in subdivision 2. The report must include:

128.10 (1) information and analysis of other governmental agencies or private entities using
128.11 autonomous mowing operations;

128.12 (2) the commissioner's detailed plan for conducting a pilot project with autonomous
128.13 mowing technology, once available, at rest areas; at or alongside trunk highway
128.14 rights-of-way, including ditches, shoulders, and other terrain; and at other properties owned
128.15 by the department;

128.16 (3) the timeline and funding needed to conduct an autonomous mowing pilot project
128.17 established in subdivision 2, paragraph (f);

128.18 (4) a cost-benefit analysis of whether autonomous mowing technology can yield
128.19 productivity or efficiency gains in maintenance of department property compared to
128.20 traditional methods of mowing;

128.21 (5) an analysis of whether the operation of autonomous mowing technology by the
128.22 department would yield improvements compared to traditional mowing methods in worker
128.23 safety, congestion, environmental impact outcomes, cost savings, maintenance scheduling,
128.24 or any other factor deemed relevant by the commissioner; and

128.25 (6) an analysis of the costs and any other short-term or long-term challenges posed by
128.26 the pilot project or the future operation of autonomous mowing technology on property
128.27 owned by the department.

128.28 Sec. 97. **DEPARTMENT OF TRANSPORTATION; COST PARTICIPATION**
128.29 **POLICY UPDATE REQUIRED.**

128.30 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
128.31 meanings given:

128.32 (1) "commissioner" means the commissioner of transportation;

129.1 (2) "cost participation policy" is the policy between the Department of Transportation
129.2 and local units of government to determine the potential expenditure of trunk highway funds
129.3 on elements of cooperative construction projects and maintenance responsibilities between
129.4 the department and local units of government; and

129.5 (3) "department" means the Department of Transportation.

129.6 Subd. 2. **Policy update.** By March 1, 2026, the commissioner, in consultation with
129.7 representatives of local units of government, must update and adopt the department's cost
129.8 participation policy. The updated policy must identify the circumstances where local units
129.9 of government will not be responsible for any trunk highway fund eligible construction
129.10 project costs to deliver the project scope the department deems necessary. The policy may
129.11 consider a local unit of government's ability to pay as a factor in determining the amount
129.12 of local contribution, if any.

129.13 Subd. 3. **Report.** By February 1, 2026, the commissioner must submit a report to the
129.14 chairs and ranking minority members of the legislative committees with jurisdiction over
129.15 transportation finance and policy. The report must:

129.16 (1) contain the department's draft cost participation policy;

129.17 (2) identify the local units of government consulted in developing the updated cost
129.18 participation policy;

129.19 (3) identify and analyze all cost participation options explored by the commissioner and
129.20 local units of government in determining the cost participation policy adopted by the
129.21 commissioner; and

129.22 (4) propose legislation to enable the department to cover the cost of relocating utilities
129.23 owned by local units of government with remaining service life when necessitated by a
129.24 trunk highway construction project led by the department.

129.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

129.26 Sec. 98. **DEPARTMENT OF TRANSPORTATION; CHANGEABLE MESSAGE**
129.27 **SIGNS DURING INCLEMENT OR HAZARDOUS WEATHER CONDITIONS.**

129.28 (a) For purposes of this section, the following terms have the meanings given:

129.29 (1) "changeable message sign" means a traffic control device that is capable of displaying
129.30 one or more alternative messages on or alongside a roadway;

129.31 (2) "commissioner" means the commissioner of transportation;

130.1 (3) "inclement weather" means a forecasted or current weather condition of active
130.2 precipitation, which includes but is not limited to rain, snow, sleet, or hail; fog, smoke, or
130.3 other conditions that limit visibility; or when road surface conditions are deemed hazardous
130.4 due to weather; and

130.5 (4) "traffic safety message" means the display of a message or alert on a changeable
130.6 message sign to provide road users information about traffic operation, regulations, warnings,
130.7 guidance, or communications about a currently present and known threat or danger to public
130.8 safety or the motoring public.

130.9 (b) The commissioner must ensure that, during periods of inclement weather, a changeable
130.10 message sign in operation on a highway displays a message reminding drivers to turn on
130.11 their headlights. The message content must be clear and concise, convey a simple message,
130.12 and minimize confusion and visual distraction. Where practicable, the changeable message
130.13 system must be integrated with weather-monitoring systems to ensure the automated display
130.14 of a traffic safety message.

130.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

130.16 Sec. 99. **DEPARTMENT OF TRANSPORTATION; PROJECT COMMITTEE**
130.17 **PROCESS; POLICY ADVISORY COMMITTEE.**

130.18 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
130.19 the meanings given.

130.20 (b) "Commissioner" means the commissioner of transportation.

130.21 (c) "Department" means the Department of Transportation.

130.22 (d) "Policy advisory committee" means an established and organized committee consisting
130.23 of elected and appointed officials for the following projects:

130.24 (1) the rethinking I-94 project in the cities of Minneapolis and St. Paul;

130.25 (2) Trunk Highway 252 and Interstate 94 in the cities of Brooklyn Park, Brooklyn Center,
130.26 and Minneapolis; and

130.27 (3) Trunk Highway 55-Olson Memorial Highway in the city of Minneapolis.

130.28 (e) "Project website" means a website maintained by the department for the project for
130.29 a policy advisory committee specified under paragraph (d).

131.1 (f) "Scoping decision document" means the formal documents required by the Minnesota
131.2 Environmental Quality Board rules for a state environmental impact statement required
131.3 under Minnesota Statutes, chapter 116D.

131.4 Subd. 2. **Policy advisory committee; purpose.** The department must provide elected
131.5 and appointed members of policy advisory committees the ability to provide input on all
131.6 policy and funding decisions relevant to their project and the technical information used by
131.7 the department for a scoping decision document. Input under this section includes but is
131.8 not limited to:

131.9 (1) reviewing current public engagement efforts by the department for the project;

131.10 (2) identifying historically underserved communities for further engagement by the
131.11 department;

131.12 (3) reviewing whether a proposed concept achieves the community's needs for all modes
131.13 of travel, land use considerations, and other community-identified implications for the
131.14 corridor;

131.15 (4) reviewing and offering comment on all designs presented by the commissioner;

131.16 (5) adopting a resolution to recommend the commissioner establish a
131.17 community-recommended alternative design process; and

131.18 (6) adopting a resolution to request additional public meetings for public comment and
131.19 feedback:

131.20 (i) before the commissioner proceeds with the selection of a project design or preferred
131.21 alternative or makes any revision to a project design or preferred alternative; or

131.22 (ii) in historically underserved communities in the impacted project area if the advisory
131.23 committee determines by resolution that previous engagement efforts by the department
131.24 were insufficient.

131.25 Subd. 3. **Policy advisory committee; bylaws.** The commissioner must draft and propose
131.26 to a policy advisory committee, for the committee's approval, bylaws and procedures to
131.27 implement the requirements of subdivision 2. Adopted bylaws must include:

131.28 (1) the establishment of a regular meeting schedule, with a minimum of 30 days of public
131.29 notice between meetings;

131.30 (2) a process by which policy advisory committee members can introduce resolutions
131.31 to be voted on by the advisory committee to take formal positions, introduce and approve

132.1 new bylaws to govern the operation of the policy advisory committee, and make requests
132.2 of the department for the project; and

132.3 (3) the establishment of procedures for organizing and holding public meetings under
132.4 the requirements of subdivision 4.

132.5 Subd. 4. **Policy advisory committee; public meetings; information required; Open**
132.6 **Meeting Law.** (a) A policy advisory committee must include a robust and meaningful
132.7 process for public participation and community engagement by the impacted community
132.8 in project development. The commissioner must conduct, in coordination with the policy
132.9 advisory committee, in-person public hearings at different locations and times with
132.10 historically underserved communities in the impacted project area. Meetings must:

132.11 (1) be held with a minimum of 30 days of public notice and notice to elected officials,
132.12 with the notice specifying the date, time, and location of the meeting;

132.13 (2) include a published meeting agenda and post the agenda publicly on the department's
132.14 website;

132.15 (3) mandate at least 15 minutes of a public comment period for members of the public
132.16 to testify, provide context, and offer input on the project and development of a preferred
132.17 alternative;

132.18 (4) offer the opportunity for written comment in advance of the hearing which must be
132.19 reviewed and included in meeting records; and

132.20 (5) require the department to respond to public comments submitted in advance and
132.21 explain whether and how the input will be used to influence future project decisions.

132.22 (b) The commissioner must clearly organize and provide all meeting recordings, meeting
132.23 information or slides, and any other material from a public meeting on the department's
132.24 project website no more than two weeks after the meeting is held.

132.25 (c) The commissioner must ensure that the department regularly maintains the project
132.26 website at a reasonable interval with project documents as appropriate, including data
132.27 analysis to determine purpose and need, worksheets to determine context and modal needs,
132.28 traffic modeling, design and land use considerations, and any other relevant material to
132.29 inform policy advisory committee members and the general public. A policy advisory
132.30 committee may adopt a resolution to request:

132.31 (1) additional project information from the commissioner; or

133.1 (2) further explanation and analysis from the commissioner on information produced to
133.2 a policy advisory committee.

133.3 (d) A policy advisory committee is subject to the Minnesota Open Meeting Law under
133.4 Minnesota Statutes, chapter 13D.

133.5 Subd. 5. **Policy advisory committee; legislative report.** Beginning February 15, 2026,
133.6 and each year thereafter, the commissioner must submit a report to the chairs and ranking
133.7 minority members of the legislative committees with jurisdiction over transportation policy
133.8 and finance. The report must detail the activities of policy advisory committees during the
133.9 prior calendar year. The report must also provide a detailed summary of public feedback
133.10 and comment on projects specified in subdivision 1, paragraph (d), as well as any resolutions
133.11 adopted by the policy advisory committee and the response of the department to the
133.12 resolution's contents.

133.13 Sec. 100. **MINNESOTA SENATE MAJORITY LEADER KARI DZIEDZIC**
133.14 **MEMORIAL BRIDGE.**

133.15 By October 1, 2025, the city of Minneapolis must designate the bridge on 10th Avenue
133.16 over the Mississippi River in the city of Minneapolis, commonly known as 10th Avenue
133.17 Bridge, as the "Minnesota Senate Majority Leader Kari Dziedzic Memorial Bridge." The
133.18 city of Minneapolis must adopt a suitable design to mark the bridge and erect an appropriate
133.19 sign or signs.

133.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

133.21 Sec. 101. **REPORT; ELECTRIC-ASSISTED BICYCLE REBATE PROGRAM.**

133.22 (a) By January 15, 2026, the commissioner of revenue must submit a report to the chairs
133.23 and ranking minority members of the legislative committees with jurisdiction over taxes
133.24 and transportation. The report must comply with the requirements of Minnesota Statutes,
133.25 sections 3.195 and 3.197. At a minimum, the report must include:

133.26 (1) a comprehensive report on the operation of the electric-assisted bicycle rebate program
133.27 under Minnesota Statutes, section 289A.51, including the application system that resulted
133.28 in postponement and delay of the application process;

133.29 (2) a comprehensive analysis of the technical challenges resulting from a high volume
133.30 of applicants;

133.31 (3) a timeline of events that led to system failures in the application process;

134.1 (4) identification of technical or procedural challenges in the application and first-come,
134.2 first-served allocation of rebate certificates;

134.3 (5) costs incurred by the Department of Revenue as a result of the electric-assisted
134.4 bicycle rebate program, including expenditures on system fixes or additional staff resources;

134.5 (6) recommendations for addressing the specific failure in the application system and
134.6 preventing similar issues in future rebate certificate rollouts;

134.7 (7) an evaluation of any third-party vendor or contractor used in developing and managing
134.8 the application system, including any accountability measures applied; and

134.9 (8) the department's anticipated programming to institute a lottery system for allocating
134.10 electric-assisted bicycle rebate certificates.

134.11 (b) The commissioner must not use funds from the amount allocated for electric-assisted
134.12 bicycle rebate certificates in preparation of the report.

134.13 (c) This section expires on December 31, 2026, or upon submission of the report,
134.14 whichever is sooner.

134.15 Sec. 102. **RULEMAKING; LOSS OF VOLUNTARY CONTROL PROVISIONS**
134.16 **MODIFICATION.**

134.17 (a) By July 1, 2026, the commissioner of public safety must amend Minnesota Rules,
134.18 part 7410.2500, subpart 5, by adding an item F, to no longer require an annual physician's
134.19 statement from a driver if:

134.20 (1) a single nonepileptic seizure was responsible for the driver's loss of consciousness
134.21 or voluntary control;

134.22 (2) the driver has been free from episodes of loss of consciousness or voluntary control
134.23 for five years from the date of the incident under clause (1);

134.24 (3) the driver has not been prescribed or taking any antiseizure medication for five years
134.25 from the date of the incident under clause (1); and

134.26 (4) a physician has indicated that no further review of the driver's condition is necessary
134.27 due to the driver being in good health and the risk of reoccurrence for the condition
134.28 responsible for causing a loss of consciousness or voluntary control is minimal.

134.29 (b) By July 1, 2026, the commissioner of public safety must amend Minnesota Rules,
134.30 part 7410.2500, subpart 5, by adding an item G, to no longer require an annual physician's
134.31 statement from a driver if:

135.1 (1) the driver has been free from episodes of loss of consciousness or voluntary control
135.2 for ten years;

135.3 (2) the driver has not been prescribed or taking any antiseizure medication for ten years;
135.4 and

135.5 (3) a physician has indicated that no further review of the driver's condition is necessary
135.6 due to the driver being in good health and the risk of reoccurrence for the condition
135.7 responsible for causing a loss of consciousness or voluntary control is minimal.

135.8 (c) A review by a physician under Minnesota Rules, part 7410.2500, subpart 5, item F
135.9 or G, does not apply to a driver who is required to hold a valid medical examiner's certificate
135.10 under Code of Federal Regulations, title 49, section 391.43, and does not constitute a
135.11 determination of that driver's physical qualifications as required under Code of Federal
135.12 Regulations, title 49, section 391.41.

135.13 (d) The commissioner may use the good cause exemption under Minnesota Statutes,
135.14 section 14.388, subdivision 1, clause (3), to adopt rules under this section. Minnesota
135.15 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section
135.16 14.388.

135.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

135.18 Sec. 103. **STUDY; ACCESSIBLE ON-DEMAND RIDES OPERATED BY STATE**
135.19 **TRANSPORTATION NETWORK COMPANY; SURCHARGE-FUNDED GRANTS**
135.20 **FOR WHEELCHAIR-ACCESSIBLE VEHICLES.**

135.21 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
135.22 the meanings given.

135.23 (b) "Accessible vehicles" means a vehicle equipped with a ramp or lift capable of
135.24 transporting eligible riders and is subject to the requirements of Minnesota Statutes, sections
135.25 299A.11 to 299A.17.

135.26 (c) "Commissioner" means the commissioner of transportation.

135.27 (d) "Digital network," "prearranged ride," "transportation network company,"
135.28 "transportation network company driver," and "transportation network company rider" have
135.29 the meanings given in Minnesota Statutes, section 65B.472, subdivision 1.

135.30 (e) "Eligible rider" means an individual who requires the use of a wheelchair, nonfolding
135.31 motorized wheelchair, mobility scooter, or other mobility device.

136.1 (f) "State-operated TNC" means a publicly operated entity that uses a digital network
136.2 similar to a transportation network company to connect eligible riders with accessible
136.3 vehicles that provides prearranged rides.

136.4 (g) "Study" means the wheelchair-accessible vehicle transportation network study
136.5 required under this section.

136.6 Subd. 2. **Study and legislative report required.** (a) The commissioner must conduct
136.7 a comprehensive study on:

136.8 (1) requiring transportation network companies that operate in Minnesota to make
136.9 vehicles wheelchair accessible via a per-ride surcharge to fund grants for:

136.10 (i) the purchase of accessible vehicles by taxicab companies and transportation network
136.11 company drivers;

136.12 (ii) the modification of existing vehicles into accessible vehicles for riders with disabilities
136.13 or who require the use of a mobility device;

136.14 (iii) maintenance expenses for equipment; or

136.15 (iv) per-ride reimbursement to drivers after providing rides to riders with accessibility
136.16 challenges or who require the use of a mobility device; and

136.17 (2) the creation and management of a state-operated TNC for riders with disabilities or
136.18 who require the use of an accessible vehicle, which must include a feasibility study to assess
136.19 the demand for the service, the potential market for the service, and financial viability of
136.20 creating and maintaining the service.

136.21 (b) The study required under paragraph (a), clause (1), must:

136.22 (1) evaluate existing accessibility features and services provided by private transportation
136.23 network companies;

136.24 (2) assess the feasibility of incorporating a per-ride surcharge to fund transportation
136.25 accessibility initiatives;

136.26 (3) compare the proposed per-ride surcharge with the provision in Minnesota Statutes,
136.27 section 181C.03, paragraph (a), clause (2);

136.28 (4) make recommendations on a potential nondiscrimination policy to be adopted by a
136.29 transportation network company to ensure services provided by drivers using the digital
136.30 network are offered in a nondiscriminatory manner; and

137.1 (5) propose legislation to administer grants using funds collected from a per-ride
137.2 surcharge and identify potential uses of grant funds under the requirements of paragraph
137.3 (a), clause (1).

137.4 (c) The study required under paragraph (a), clause (2), must:

137.5 (1) evaluate the operational, technical, financial, and legal feasibility of establishing a
137.6 state-operated TNC solely for use by people seeking rides in accessible vehicles;

137.7 (2) conduct a comprehensive analysis of current transportation network providers in
137.8 Minnesota, with a focus on the provider's operations and technological infrastructure;

137.9 (3) develop appropriate regulations and define essential operational standards, driver
137.10 qualifications, vehicle requirements, insurance coverage, and other procedures to ensure
137.11 safety, reliability, and quality of service;

137.12 (4) analyze how a state-operated TNC can ensure a sufficient number of accessible
137.13 vehicles, in-app accessibility options, driver training on disability awareness, and other
137.14 measures to promote inclusivity and nondiscrimination;

137.15 (5) analyze the compatibility of a state-operated TNC with existing special transportation
137.16 service providers; Metro Transit and Metro Mobility; demand response transit service
137.17 offerings by replacement service providers under Minnesota Statutes, section 473.388; or
137.18 any other public transit provider offering on-demand ride hailing service for first- and
137.19 last-mile connections in Minnesota, Wisconsin, Iowa, South Dakota, or North Dakota;

137.20 (6) analyze whether drivers and vehicles providing rides on a state-operated TNC should
137.21 be regulated under the same operating standards and requirements for special transportation
137.22 services as provided in Minnesota Statutes, section 174.30;

137.23 (7) identify best practices and innovative solutions to ensure that the state-operated TNC
137.24 is fully accessible to individuals with disabilities;

137.25 (8) outline a phased implementation plan, including timelines, key milestones, and
137.26 responsible entities for administering a state-operated TNC;

137.27 (9) propose policies and regulations for drivers on the state-operated TNC, including:

137.28 (i) whether drivers will have specified hours for rides solely on the state-operated TNC
137.29 network or may alternate across transportation network platforms;

137.30 (ii) the employment classification of drivers on the state-operated TNC, including whether
137.31 drivers are eligible for state employee benefits, the selection or hiring of drivers through
137.32 the open appointment process, and any other identified employment concern;

138.1 (iii) whether the state will own or lease accessible vehicles, and if not, the responsible
138.2 paying entity for gas, maintenance, storage, and insurance;

138.3 (iv) whether the state will be responsible for vehicle maintenance costs if the vehicle is
138.4 used by a driver to provide rides on a private transportation network company;

138.5 (v) training standards and certification requirements for assisting people with disabilities,
138.6 including continuing education and training requirements; and

138.7 (vi) standards for employment, including background checks of drivers, the inspection
138.8 of vehicles, verification of insurance, or any other requirements of a taxicab driver or a
138.9 transportation network driver under either city or state law;

138.10 (10) determine whether the state could develop the required digital network to host the
138.11 state-operated TNC or whether a contract with a third-party would be appropriate to build
138.12 and maintain the digital infrastructure necessary to operate the TNC; and

138.13 (11) highlight key user-friendly features for a state-operated TNC for both passengers
138.14 and drivers and develop a plan to promote the availability and accessibility of the
138.15 state-operated TNC among individuals with disabilities and their caregivers.

138.16 (d) The commissioner may conduct the study in coordination with other efforts at the
138.17 department to review and analyze special transportation services provided by the Metropolitan
138.18 Council. The commissioner must issue a preliminary report on the study upon submission
138.19 of the report required in Laws 2024, chapter 127, article 3, section 125, to the chairs and
138.20 ranking minority members of the legislative committees with jurisdiction over transportation
138.21 finance and policy.

138.22 (e) Upon request by the commissioner, a transportation network company operating in
138.23 Minnesota must provide sufficient information to assist in the preparation of the report.
138.24 Information submitted by a transportation network company to the commissioner must
138.25 include:

138.26 (1) the estimated time of arrival for wheelchair-accessible vehicles in Minnesota;

138.27 (2) the total number of wheelchair-accessible vehicles requested;

138.28 (3) the total number of rides fulfilled in wheelchair-accessible vehicles;

138.29 (4) the total number of wheelchair-accessible rides that were denied;

138.30 (5) the total number of requested wheelchair-accessible rides that were referred to a third
138.31 party; and

139.1 (6) programs and best practices the transportation network company has implemented
139.2 to improve the accessibility of service to individuals with disabilities.

139.3 Subd. 3. **Stakeholders.** (a) In developing the report and proposed legislation, the
139.4 commissioner must consult interested stakeholders to evaluate current accessibility challenges
139.5 and constraints for transportation network company riders who use a wheelchair or otherwise
139.6 require specialized equipment or service for their prearranged ride.

139.7 (b) Stakeholders under paragraph (a) must include, but are not limited to:

139.8 (1) the Minnesota Council on Disability;

139.9 (2) a driver advocacy organization representing transportation network drivers;

139.10 (3) providers of nonemergency medical transportation and special transportation services
139.11 in Minnesota;

139.12 (4) the State Patrol;

139.13 (5) transportation network companies operating in Minnesota;

139.14 (6) an organization with expertise in transportation and mobility planning or accessible
139.15 transportation design;

139.16 (7) technology accessibility organizations to ensure a proposed state-operated TNC is
139.17 designed and operated with all relevant accessibility features;

139.18 (8) the Department of Human Services;

139.19 (9) persons with disabilities and parents and caregivers of people with disabilities; and

139.20 (10) senior citizens or recipients of Social Security disability benefits.

139.21 (c) The commissioner must also establish a public notification and comment process on
139.22 the department's website on the study required in subdivision 2, paragraph (b). The public
139.23 notification process must attempt to raise public awareness of the potential development of
139.24 a state-operated transportation network company among individuals with disabilities and
139.25 solicit feedback from the public on technical and service considerations.

139.26 Subd. 4. **Report.** By August 15, 2026, the commissioner must submit a final report on
139.27 the study to the chairs and ranking minority members of the legislative committees having
139.28 jurisdiction over transportation finance and policy. The report must include an identified
139.29 amount of funds necessary for initial design and development of the state-operated TNC
139.30 by the department.

140.1 Subd. 5. **Expiration.** This section expires upon the submission of the report required in
140.2 subdivision 4 or June 30, 2027, whichever is earlier.

140.3 Sec. 104. **REVISOR INSTRUCTION.**

140.4 The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section
140.5 169.011, so that the definitions appear in alphabetical order. The revisor must make necessary
140.6 cross-reference changes in Minnesota Statutes consistent with the renumbering.

140.7 **EFFECTIVE DATE.** This section is effective August 1, 2025.

140.8 Sec. 105. **REPEALER.**

140.9 (a) Minnesota Statutes 2024, section 473.452, is repealed.

140.10 (b) Laws 2019, First Special Session chapter 3, article 2, section 34, as amended by
140.11 Laws 2020, chapter 100, section 22, is repealed.

140.12 (c) Minnesota Rules, parts 8820.2500; 8820.3300, subparts 1, 1a, 3, and 4; 8820.3400;
140.13 8820.9926, subpart 1; 8820.9936; 8820.9946; 8820.9956; and 8820.9995, are repealed.

140.14 **EFFECTIVE DATE.** Paragraph (c) is effective July 1, 2025, for new state-aid roadway
140.15 projects designed, constructed, reconstructed, rehabilitated, or resurfaced on or after that
140.16 date.

APPENDIX
Article locations for UEH2438-1

ARTICLE 1 APPROPRIATIONS..... Page.Ln 2.14

ARTICLE 2 TRUNK HIGHWAY BONDS..... Page.Ln 46.24

ARTICLE 3 TRANSPORTATION FINANCE POLICY..... Page.Ln 48.1

473.452 TRANSIT OPERATING RESERVES; REPORT.

(a) By December 15 each year, each replacement service provider under section 473.388 must report to the council its projected total operating expenses for the current state fiscal year and its projected operating reserve fund balance as of the previous July 31.

(b) By January 15 each year, the council must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must include:

- (1) the information from each provider received under paragraph (a); and
- (2) the council's projected total operating expenses for the current state fiscal year and its projected operating reserve fund balance as of the previous July 31.

Laws 2019, First Special Session chapter 3, article 2, section 34, as amended by Laws 2020, chapter 100, section 22

Sec. 34. DRIVER AND VEHICLE SYSTEMS OVERSIGHT COMMITTEE.

Subdivision 1. **Definitions.** The definitions in section 33 apply to this section.

Subd. 2. **Driver and Vehicle Systems Oversight Committee established.** (a) The Driver and Vehicle Systems Oversight Committee is established and consists of the following members:

(1) the chair of the senate Finance Committee, or a senator appointed by the chair of the senate Finance Committee;

(2) the chair and ranking minority member of the senate committee with jurisdiction over transportation finance;

(3) the chair of the house of representatives Ways and Means Committee, or a member of the house of representatives appointed by the chair of the house of representatives Ways and Means Committee; and

(4) the chair and ranking minority member of the house of representatives committee with jurisdiction over transportation finance.

(b) The chair of the Blue Ribbon Council on Information Technology, or the chair's designee, must serve on the committee as a nonvoting member. If the council expires or is dissolved, the chair of the council at the time of expiration or dissolution, or the chair's designee, must continue to serve on the committee as a nonvoting member until the committee expires as provided by subdivision 8.

Subd. 3. **Dissolution of MNLARS Steering Committee.** The MNLARS Steering Committee is dissolved and is replaced by the Oversight Committee.

Subd. 4. **Duties.** (a) The Oversight Committee must:

(1) review progress reports received pursuant to subdivision 5 and reports from the information technology auditor;

(2) oversee the implementation of the VTRS;

(3) oversee the decommissioning of MNLARS, including the funds and staff resources spent on the decommissioning;

(4) oversee the driver's license system; and

(5) on an annual basis, review the fee and surcharge increases required by this article, and make a recommendation to the legislature on whether the fee and surcharge increases are set of appropriate amounts.

(b) The Oversight Committee may contract with, hire, or otherwise consult with any individual to assist the committee with its duties.

Subd. 5. **Progress reports.** (a) Between 20 and 30 days before the start of each quarter, the commissioners of public safety and MN.IT must submit a report to the Oversight Committee and the information technology auditor on the following:

(1) the status of MNLARS, including a summary of work performed to maintain MNLARS and any work performed to decommission MNLARS;

(2) the status of the implementation of VTRS;

(3) a detailed explanation of any funds expended related to MNLARS and the purposes of the expenditures, the number of staff working on MNLARS, and a description of the work performed;

(4) a list of all requested customizations to VTRS, the purpose for the customization, the cost of the customization, and whether the commissioner approved the customization; and

(5) the status of the driver's license system.

(b) Between 20 and 30 days before the start of each quarter, the vendor must submit a report to the Oversight Committee regarding the progress on the implementation of the VTRS.

APPENDIX
Repealed Minnesota Session Laws: ueh2438-1

(c) Between 20 and 30 days before the start of each quarter, the Minnesota Deputy Registrars Association, the Minnesota Deputy Registrar Business Owners Association, the Minnesota Automobile Dealers Association, and any other stakeholders are each encouraged to submit a report to the Oversight Committee regarding MNLARS, VTRS, or the driver's license system.

Subd. 6. **Meetings.** (a) The chairs of the legislative committees with jurisdiction over transportation finance serve as cochairs of the Oversight Committee.

(b) The Oversight Committee must meet at least once each quarter.

(c) The Oversight Committee is subject to Minnesota Statutes, section 3.055, except that a member may vote by submitting a written statement indicating how the member votes on a motion. The written statement must be treated in the same manner as the votes of the members present at the meeting. The written statement must be submitted to all members prior to the start of the meeting at which the vote will take place.

Subd. 7. **Administration.** The Legislative Coordinating Commission must provide meeting space and administrative support for the Oversight Committee.

Subd. 8. **Expiration.** The Oversight Committee expires six months after full implementation of VTRS. After full implementation but prior to the expiration of the Oversight Committee, the Oversight Committee must complete a report that, at a minimum, summarizes the activities of the Oversight Committee and makes recommendations to the legislature on proposed changes to state driver and vehicle laws. The Oversight Committee must submit the report to the legislative auditor. For purposes of this subdivision, "full implementation" means all packaged software solution components are implemented and functioning and all MNLARS and legacy components are decommissioned.

EFFECTIVE DATE. This section is effective the day following final enactment.

8820.2500 MINIMUM STATE-AID STANDARDS.

Subpart 1. **Applicability of standards.** The standards in this part apply to all new construction, reconstruction, rehabilitation, or resurfacing projects approved by the state-aid engineer on and after November 13, 1995, except as noted or otherwise provided for in law.

Subp. 1a. **Geometric design standards.** The standards in part 8820.9920 apply to rural design undivided roadways, new or reconstruction.

The standards in part 8820.9936 apply to urban design roadways, new or reconstruction.

The requirements in parts 8820.9926 and 8820.9946 apply to reconditioning projects.

The vertical clearances for underpasses in part 8820.9956 apply.

The standards in parts 8820.9981 and 8820.9986 apply to designated forest highways within national forests and state park access roads within state parks and to designated natural preservation routes.

The standards in part 8820.9995 apply to bicycle paths.

Subp. 2. **Specifications.** Specifications for construction must be the latest approved Minnesota Department of Transportation specifications, except as modified by special provisions which set forth conditions or requirements for work or materials not covered by the approved specifications, or which set forth conditions or requirements to meet exigencies of construction peculiar to the approved project.

Subp. 3. **Right-of-way.** The minimum widths of right-of-way for state-aid routes must be at least 60 feet within cities and 66 feet in rural areas, except that the right-of-way may be less for routes that are within a city, that were constructed before November 13, 1995, and that can be reconstructed to new construction standards within the previously existing right-of-way. Before construction, the governing body shall acquire control of the additional widths of right-of-way as may be necessary to properly maintain the ditch section, drainage structures, and the clear zone. Permanent easements for highway purposes are considered to be right-of-way for the purposes of this subpart.

Subp. 4. **Parking provisions.** The criteria in part 8820.9961 must be used in establishing diagonal parking. The criteria in parts 8820.9936 and 8820.9946 must be used where parallel parking is used.

8820.3300 VARIANCE.

Subpart 1. **Written requests.** A formal request by a political subdivision for a variance from this chapter must:

- A. be submitted to the commissioner in writing in the form of a resolution;
- B. identify the project by location and termini; and
- C. cite the specific part or standard for which the variance is requested and describe the modification proposed.

Subp. 1a. **Additional information.** Additional information needed:

- A. index map;
- B. typical section:
 - (1) inplace section;
 - (2) proposed section;
- C. reasons for the request;
- D. the economic, social, safety, and environmental impacts which may result from the requested variance;

E. effectiveness of the project in eliminating an existing and projected deficiency in the transportation system;

F. effect on adjacent lands;

G. number of persons affected; and

H. safety considerations as they apply to:

(1) pedestrians;

(2) bicyclists;

(3) motoring public; and

(4) fire, police, and emergency units.

Subp. 3. **Decision.** The commissioner shall base the decision on the criteria in part 8820.3400, subpart 3 and shall notify the political subdivision in writing of the decision. The commissioner may require a resolution by the recipient of the variance that indemnifies, saves, and holds harmless the state and its agents and employees of and from claims, demands, actions, or causes of action arising out of or by reason of the granting of the variance. The recipient of the variance shall further agree to defend at its sole cost and expense any action or proceeding begun for asserting any claim of whatever character arising as a result of the granting of the variance.

Subp. 4. **Contested case hearing.** Any variance objected to in writing or denied by the commissioner is subject to a contested case hearing as required by law.

8820.3400 ADVISORY COMMITTEE ON VARIANCES.

Subpart 1. **Appointment.** The commissioner may appoint a committee to serve as required to investigate and determine a recommendation for each variance. No elected or appointed official that represents a political subdivision requesting a variance may serve on the committee.

Subp. 2. **Membership.** The committee shall consist of any five of the following persons: not more than two county highway engineers, only one of whom may be from a county containing a city of the first class; not more than two city engineers, only one of whom may be from a city of the first class; not more than two county officials, only one of whom may be from a county containing a city of the first class; and not more than two officials of an urban municipality, only one of whom may be from a city of the first class. The committee must have at least two elected officials as members. The committee shall have at least one member but not more than four members from a metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, as well as cities with a population of over 50,000 according to the most recent census.

Subp. 3. **Operating procedure; factors considered.** The committee shall meet on call from the commissioner at which time they must be instructed as to their responsibilities by a designee of the commissioner, shall elect a chairperson, and shall establish their own procedure to investigate the requested variance.

The committee shall consider the:

A. economic, social, safety, and environmental impacts which may result from the requested variance;

B. effectiveness of the project in eliminating an existing and projected deficiency in the transportation system;

C. effect on adjacent lands;

D. number of persons affected;

E. effect on future maintenance;

F. safety considerations as they apply to pedestrians, bicyclists, motoring public, and fire, police, and emergency units; and

G. effect that the rule and standards may have in imposing an undue burden on a political subdivision.

Subp. 4. **Recommendation.** The committee after considering all data pertinent to the requested variance shall recommend to the commissioner approval or disapproval of the request.

8820.9926 MINIMUM DESIGN STANDARDS: RURAL AND SUBURBAN UNDIVIDED; RECONDITIONING PROJECTS.

Subpart 1. **Minimum reconditioning standards.** Reconditioning projects for rural or suburban undivided roadways must meet or exceed the minimum dimensions indicated in the following design chart. See part 8820.0200, subpart 30, for the description of activities allowed.

Existing ADT	Statutory or Regulatory Posted Speed	Lane Width (Paved)	Combined Lane (Paved) and Shoulder Width
1-749	45 mph or less	10 feet	11 feet
1-749	50 mph or over	10 feet	12 feet
750 and over	45 mph or less	10 feet	12 feet
750 and over	50 mph and over	11 feet	14 feet

When the road authority has determined that the roadway will be specifically designed to include on-road bicycle facilities, and only if the roadway surface is paved, the appropriate design criteria in the current MnDOT Bikeway Facility Design Manual are recommended for design purposes.

Engineering judgment should be used to choose a lane-width, on-road bicycle facility, or shoulder width dimension other than the widths indicated in the chart. Factors to consider include safety, speed, population/land use, benefit/cost analysis, traffic mix, peak hourly traffic, farm equipment, environmental impacts, terrain limitations, bicycle traffic, pedestrian traffic, on-street parking, intersection and driveway spacing, rights-of-way constraints, vehicle turn lane configuration, sight distance, sight lines, bus routes, other nonmotorized uses, functional classification, or other factors. Dimensions less than those indicated in the chart require a variance in accordance with parts 8820.3300 and 8820.3400.

Widths of bridges to remain in place must equal roadway pavement width. Bridges narrower than these widths may remain in place provided that the bridge does not qualify for federal-aid bridge funds. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Any highway that was previously built to state-aid or state standards, that was granted a variance to standards in effect at the time of construction or reconstruction, or that is a trunk highway turnback, may be reconditioned.

The proposed structural design strength must accommodate a minimum of seven tons per axle.

8820.9936 MINIMUM DESIGN STANDARDS, URBAN; NEW OR RECONSTRUCTION PROJECTS.

New or reconstruction projects for urban roadways without a designated on-road bicycle facility must meet or exceed the minimum dimensions indicated in the following design chart.

APPENDIX
Repealed Minnesota Rules: ueh2438-1

Projected Traffic Volume	Design Speed	Lane Width (a)	Curb Reaction Distance (c)	Parking Lane Width (e)
	mph	feet	feet	feet
ADT < 10,000	30-45	(b) 10-11	1-2 (d)	7-8
	50 or over	11-12	2	8-10
ADT ≥ 10,000	30-35	(b) 10-11	1-2 (d)	7-10
	40-45	11-12	1-4	7-10
	50 or over	11-12	2-4	Not allowed

Engineering judgment may be used to choose a lane-width dimension other than the widths indicated in the chart for roadways. Factors to consider include safety, speed, population/land use, benefit/cost analysis, traffic mix, peak hourly traffic, farm equipment, environmental impacts, terrain limitations, bicycle traffic, pedestrian traffic, other nonmotorized uses, functional classification, or other factors. Widths less than those indicated in the chart require a variance in accordance with parts 8820.3300 and 8820.3400.

- (a) Twelve feet should be considered in industrial areas. One-way turn lanes must be at least ten feet wide, except 11 feet is required if the design speed is 50 mph or higher.
- (b) Ten feet may be considered where truck or bus volumes are relatively low, rights-of-way are constrained, and design speeds are 35 mph or less. Eleven feet minimum is required on four-lane, undivided facilities.
- (c) Curb reaction must be provided only where parking is not provided.
- (d) The state-aid engineer may approve a zero-foot curb reaction distance where the cross-section is constrained, appropriate curb types are used, and drainage collection is adequate. The curb must be constructed without a gutter or monolithically with the adjacent traveled way.
- (e) The roadway ADT and the vehicle mix must be considered when determining parking lane width. In commercial or industrial areas, the minimum parking lane width is eight feet.

One-way streets must have at least two through-traffic lanes.

When a median is included in the design of the two-way roadway, a one-foot minimum curb reaction distance to the median is required on either side of the median. Minimum median width is four feet.

Urban design roadways must be a minimum nine tons structural axle load design.

Roadways not on the state-aid system are not subject to the minimum structural design strength requirements.

The minimum curb-to-curb width of a new bridge must be the required street width, but in no case less than required per Minnesota Statutes, section 165.04. HL-93 loading in the AASHTO LRFD (load and resistance factor design) Specifications is required for new or reconstructed bridges. Rehabilitated bridges must have a load rating factor of at least 0.9 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level. Where the new bridge approach roadway includes elements for the accommodation of pedestrians or bicycles, the new bridge width must also provide for pedestrians or bicycles unless pedestrians or bicycles are otherwise accommodated.

For ADT less than 150, the widths of bridges to remain must be at least the sum of the lanes. For ADT greater than or equal to 150, the widths of bridges to remain must be at least the sum of the lanes plus half the sum of the shoulders, parking lane, and curb reaction

distance. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Clearance of 1.5 feet from the face of the curb to fixed objects must be provided when the design speed is 40 to 45 mph. A ten-foot clear zone measured from the driving lane must be provided when the design speed is 50 mph or higher.

Unless four lanes are provided, an engineering traffic study is required for traffic volumes greater than 15,000 projected ADT to determine lane configuration and lane use.

8820.9946 MINIMUM DESIGN STANDARDS, URBAN; RECONDITIONING PROJECTS.

Subpart 1. **Two-way streets.** In the following design chart, total width is from face-to-face of curbs.

Reconditioning projects for two-way urban roadways must meet or exceed the minimum dimensions indicated in the chart.

Number of Through Lanes and Present Traffic Volume	Total Width with No Parking	Total Width with Parking on One Side	Total Width with Parking on Both Sides	Proposed Structural Design Strength
	(feet)	(feet)	(feet)	(tons)
2-Lane with ADT < 10,000	22	28	34	(b) 9
4-Lane with ADT < 10,000	44	51	58	(b) 9
2-Lane with ADT ≥ 10,000 (a)	22	28	34	9
4-Lane with ADT ≥ 10,000	44	51	58	9
6-Lane	66	(c)	(c)	9

Engineering judgment may be used to choose a lane-width or shoulder-width dimension other than the widths indicated in the chart for roadways. Factors to consider include safety, speed, population/land use, benefit/cost analysis, traffic mix, peak hourly traffic, farm equipment, environmental impacts, terrain limitations, bicycle traffic, pedestrian traffic, other nonmotorized uses, functional classification, or other factors. Widths less than those indicated in the chart require a variance in accordance with parts 8820.3300 and 8820.3400.

- (a) Permissible for present traffic volumes less than 15,000 ADT.
- (b) When ADT is less than 5,000, seven tons is allowable.
- (c) No parking is allowed.

When a median is included in the design of the two-way roadway, a one-foot reaction distance to the median is required on either side of the median. Minimum median width is four feet.

For ADT less than 150, the widths of bridges to remain must be at least the sum of the lanes. For ADT greater than or equal to 150, the widths of bridges to remain must be at least the sum of the lanes plus half the sum of the shoulders, parking lane, and curb reaction distance. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Subp. 2. **One-way streets.** In the following design chart, total width is from face-to-face of curbs.

Reconditioning projects for one-way urban roadways must meet or exceed the minimum dimensions indicated in the chart.

APPENDIX
Repealed Minnesota Rules: ueh2438-1

Number of Through Lanes	Present ADT	Total Width with No Parking (feet)	Total Width with Parking on One Side (feet)	Total Width with Parking on Both Sides (feet)	Proposed Structural Design Strength (tons)
2-Lane	< 5,000	21	29	37	7
	5,000-10,000	23	31	39	9
	10,000-15,000	23	31	39	9
	≥ 15,000	24	32	40	9
3-Lane	All	34	42	50	9

For ADT less than 150, the widths of bridges to remain must be at least the sum of the lanes. For ADT greater than or equal to 150, the widths of bridges to remain must be at least the sum of the lanes plus half the sum of the shoulders, parking lane, and curb reaction distance. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Subp. 3. **Exception.** Any street that was previously built to state-aid or state standards, or that was granted a variance to standards in effect at the time of construction or reconstruction, or that is a trunk highway turnback, but does not meet current standards, may be reconditioned regardless of subparts 1 and 2.

8820.9956 MINIMUM VERTICAL CLEARANCES FOR UNDERPASSES.

Underpass projects must meet or exceed the minimum dimensions indicated in the following design chart.

	Rural-Suburban Design, Vertical Clearance (feet-inches)	Urban Design, Vertical Clearance (feet-inches)
Highway under Roadway Bridge	16-4	14-6
Highway under Railroad Bridge	16-4	14-6
Highway under Pedestrian Bridge	17-4	15-6 (a)
Highway under Sign Structure	17-4	15-6 (a)
Railroad under Roadway Bridge (b)	22-0	22-0

(a) For replacement of skyway structures, the minimum clearance over traveled way is the existing structure clear height.

(b) Variances to the required minimum may be granted by the commissioner of transportation. That approval eliminates the need for a state-aid variance.

8820.9995 MINIMUM OFF-ROAD AND SHARED USE PATH STANDARDS.

For Off-Road Shared Use Path Design, the following shall apply:	
Minimum Surface Width (two-way)	8 ft (a)
Shoulder/Clear Zone	2 ft (b) (c)
Inslope	Maximum 1:2 (rise:run)

APPENDIX
Repealed Minnesota Rules: ueh2438-1

Design Speed	20 mph (d)
Vertical Clearance over lane and shoulder	10 ft nominal (8 ft nominal if passage of emergency or maintenance vehicles is not required) (e)

(a) Ten feet is desired for a shared use path. Five feet is required for a one-way shared use path.

(b) For vehicular roadway bridges or underpasses accommodating an off-road bicycle path or shared use path, the total width (minimum surface width plus shoulder/clear zone) is eight feet minimum, with ten feet being desirable. However, whenever practicable, the shoulder/clear zone of an off-road bike or shared use path should be carried across or under a vehicular bridge. When the clear zone of an off-road bike or shared use path cannot practicably be carried across or under the bridge, a lead-in guardrail must be provided, unless the surface width of the approach path is narrowed at a maximum 1:50 taper while providing the minimum travel lane and shoulder/clear zone widths through the structure.

For a separate off-road bicycle path or shared use path, the shoulder/clear zone must be carried across bridge or underpass structures. Minimum structure clear width must be 12 feet. When the surface width plus shoulder/clear zone width of the approaching off-road bike or shared use path is greater than the proposed clear width of the structure, then a lead-in bicycle safety railing is required, unless the surface width of the approach path is narrowed at a maximum 1:50 taper while providing the minimum travel lane and shoulder/clear zone widths through the structure.

(c) Clear zone is measured from the edge of the travel lane.

(d) Use a 30 mph design speed for grades longer than 500 feet and greater than four percent, from the uphill point where the grade equals four percent to 500 feet beyond the downhill point where the grade becomes less than four percent. The maximum allowable grade is 8.3 percent.

(e) When an off-road bicycle or shared use path continues through a box culvert structure, up to three inches of bituminous surfacing may be used through the structure. The minimum vertical clearance for box culvert structures is nine feet, nine inches, or seven feet, nine inches if passage of emergency or maintenance vehicles is not necessary.